

NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

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Albuquerque Compared to Other Western Metro Areas

This article compares Albuquerque and nine "competitive" western metropolitan areas. Population and employment trends are discussed for each area. The second part of the article suggests some factors which might explain the discrepancy in growth among these communities.

Table 1 on page 8 lists the ten comparison urban areas and provides associated population data. The metropolitan areas range in size from 349,100 in Colorado Springs to 1,219,600 in Sacramento, California. As for population growth, Las Vegas experienced the most rapid growth in the 1960's and 1970's while Austin, Texas has grown the most rapidly in the early 1980's. In the 1980's, all these areas have grown faster than the U.S. metropolitan annual average population growth of 1.1 percent.

Employment growth for these communities in the 1977-84 period is also encapsulated in Table 1. Austin far exceeded all the other comparison communities in job creation while Tulsa and El Paso experienced the least overall growth. It is worth noting that all the communities exceeded the U.S. average growth rate of 2.4 percent. As for manufacturing employment, three urban areas, Colorado Springs, Tucson and Austin, sustained double-digit average annual growth in this period. Tulsa, which has the greatest employment in manufacturing, experienced virtually no growth in industrial employment. The U.S. manufacturing growth rate, -0.2 percent, was surpassed by all the metropolitan areas.

Of special concern in recent years has been the so-called high technology sectors. Based on a limited definition of high technology employment, Tucson far outpaced the other urban areas with an average annual increase of 86 percent. High Tech jobs in Tucson increased from 1,156 in 1977 to 11,623 in 1984. Double-digit annual increases also occurred in the other communities with the exception of Las Vegas and Tulsa. Austin gained the greatest number of high tech manufacturing jobs in this period (10,297).

The next two sections of the article briefly address the issues of which factors do not seem important in explaining the discrepancy in growth as well as those which seem important.

Factors That Do Not Seem to Impact Regional Growth

1) The impact of taxes does not appear to be significant. For example, "high" property tax communities such as Tucson and Austin have also experienced phenomenal growth in recent years. The impact of taxes might be lessened by the availability of numerous tax incentives and inducements in all

these metropolitan areas. It might be that the tax costs are insignificant relative to other costs, or the benefits of high taxes (such as the provision of public services) are of much greater concern to business than taxes.

2) Energy costs do not seem as important as they once were in the effort to attract industry. Grant Thornton's recent ranking of the business climate of the states, *General Manufacturing Climates of the Forty-Eight Contiguous States*, noted that energy cost concerns had declined to third in importance among the factors deemed most important to business climate. Also of note in this regard is that the regional disparity in natural gas and electricity prices has dropped considerably in the last few years.

3) As for cost of living differences, the most critical factor is housing costs. For these communities at least, housing costs do not pose the same constraint to development as is the case in the Silicon Valley (Ca.) and the Route 128 area in Boston.

4) The relationship between an area's quality of life and economic growth is not confirmed. As an example, Austin and Colorado Springs ranked quite low in the recent *Places Rated* quality of life ranking yet these cities have experienced very strong growth in recent years. The problem may be that quality of life is an extremely difficult measure to put in quantitative terms or it has little to do with the business climate of a community.

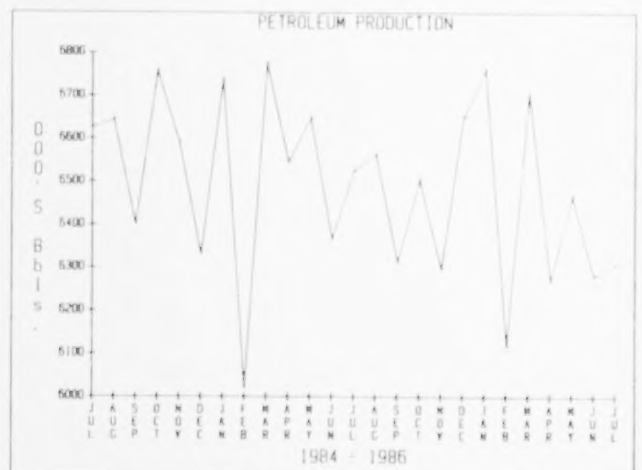
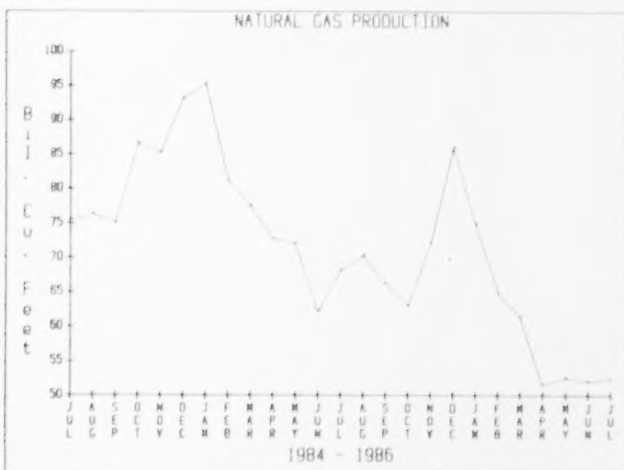
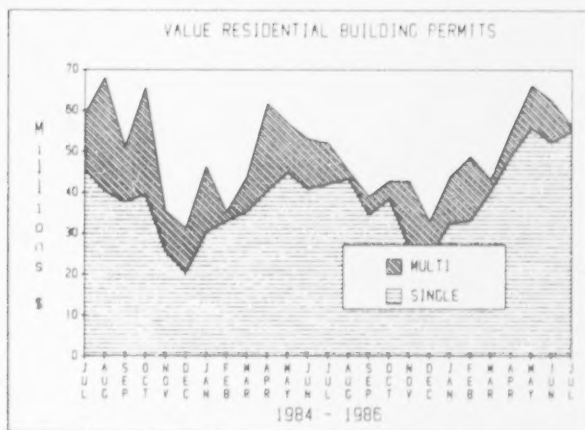
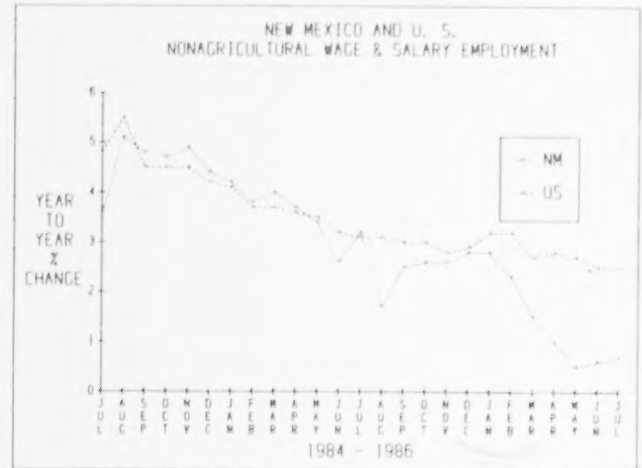
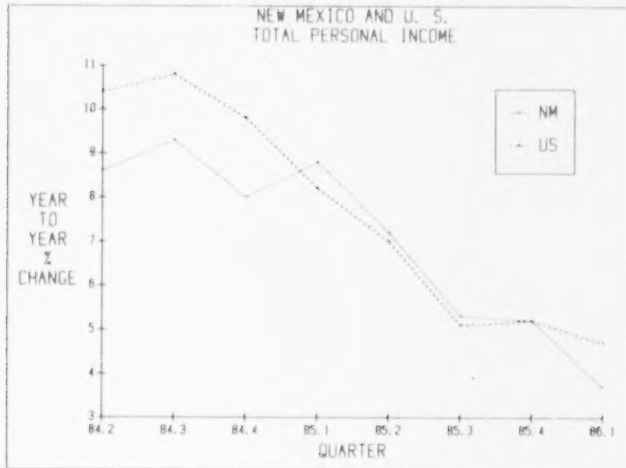
Factors that Seem to Impact Regional Growth

1) The employment mix of a community has an important influence on economic growth. For example, areas with a preponderance of defense-related industry have experienced a surge of growth in recent years. Colorado Springs and Tucson, the chief beneficiaries of defense spending, enjoyed especially strong employment growth in the 1977-84 period. On the other hand, the least defense dollars have gone to Tulsa. Interestingly enough, Tulsa was the only community to experience an actual decline in high technology manufacturing employment in the 1977-84 period. Tulsa has also suffered from the "bust" in the oil-boom.

2) In general, these western metropolitan areas have a highly educated population. At the same time these communities have experienced strong growth in recent years. All but two of the communities have a higher proportion of adult residents with high school degrees than the U.S. average. With the exception of Las Vegas, all these communities are in states

(Continued on bottom of page 7)

ECONOMIC TRENDS IN NEW MEXICO



U.S. ECONOMIC INDICATORS

	CURRENT MO/QTR	DATA	% CHANGE YEAR AGO	PREVIOUS MO/ QTR DATA
Consumer price index				
All urban consumers (1967=100)				
All items	Jul 86	328.0	1.6	327.9
Food and beverages	Jul 86	312.2	3.5	309.5
Housing	Jul 86	361.5	2.8	361.2
Apparel and upkeep	Jul 86	203.2	0.2	204.5
Transportation	Jul 86	304.7	-5.3	308.6
Medical care	Jul 86	434.8	7.6	432.0
Entertainment	Jul 86	274.4	3.3	273.9
Other goods and services	Jul 86	344.9	6.1	342.6
Revised series, wage earners and clerical workers (1967=100)				
All items	Jul 86	322.9	1.2	323.0
Gross national product* (\$Bil., constant)				
	Jul 86	3661.5	2.7	3655.9
Prime interest rate** (% per annum)	Jul 86	8.0	-15.7	8.5
Mortgage interest rate*** (% per annum)	Jul 86	10.3	-8.9	10.1
3 month treasury bill# (% per annum)	Jul 86	5.8	-17.1	6.2
Industrial production## (1977=100)	Jul 86	124.1	0.0	124.2
Manufacturers new orders### (\$Bil.)	Jul 86	191.8	-3.2	192.1

NEW MEXICO AND U.S. COMPARISONS

	NEW MEXICO				UNITED STATES			
	CURRENT MO/QTR	DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	
Employment (000)	Jul 86	622.2	6.0	619.5	111,832	2.8	110,869	
Unemployment rate (%)	Jul 86	9.5	1.3	9.7	7.0	-5.4	7.3	
Nonagricultural employment (000)	Jul 86	520.2	0.8	524.4	100,144	2.7	100,775	
Personal income### (\$Ml.)	Jul 86	15,919	1.7	15,760	1,304,609	4.7	1,268,063	
Housing units permitted								
Single	Jul 86	796	14.6	768	109,300	11.1	100,787	
Multi	Jul 86	51	+90.6	654	54,696	-8.7	52,150	

Note: Selected data items subject to revision.

N Not available.

* 1982 dollars at seasonally adjusted annual rates.

** Closing rate for month.

*** Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as

contract rate and assumed, on the average, repayment at end of 10 years.

Rate on new issues within period; bank discount basis.

Monthly data seasonally adjusted.

Quarterly data seasonally adjusted at annual rates.

Sources: U. S. Department of Labor, News; CPI data;

New Mexico Employment Security Department and U. S. Bureau of Labor Statistics; employment and

unemployment data.

U. S. Department of Commerce, Bureau of Economic Analysis; income data;

U. S. Department of Commerce, Bureau of the Census; construction data.

U. S. Council of Economic Advisors, Economic Indicators; all other data.

NEW MEXICO ECONOMIC INDICATORS

		CURRENT MO/QR	DATE	% CHANGE YEAR AGO	PREVIOUS MO/QR DATA	% CHANGE 12 MONTH AVERAGE
1. GENERAL						
Civilian labor force* (000)	Jul 86	682.4	6.3	685.9	3.1	
Total employment** (000)	Jul 86	622.0	6.0	619.5	0.6	
Unemployment** (000)	Jul 86	60.2	10.2	66.4	11.7	
Unemployment rate (%)	Jul 86	9.5	3.3	9.7	8.0	
Weekly new unemployment insurance claims	Jul 86	16,000	26.4	18,500	11.9	
Nonagricultural wage/salary employment** (000)	Jul 86	520.0	0.8	524.6	1.8	
New business incorporations	Jul 86	176.0	-25.4	152.0	-10.8	
Personal income*** (\$ mil.)	Jul 86	15,919.9	3.7	15,763.0	-9.9	
2. AGRICULTURAL RECEIPTS						
Livestock and products (\$ mil.)	May 86	61.0	18.6	45.3	-1.8	
Crops (\$ mil.)	May 86	13.9	-21.4	16.3	3.5	
Total (\$ mil.)	May 86	75.1	18.9	59.9	1.2	
3. MINING						
Employment** (000)	Jul 86	35.0	-26.1	35.3	-16.0	
Average hourly earnings (\$)	Jul 86	11.84	-0.6	11.81	3.5	
Petroleum production (000 bbls.)	Jul 86	6307.2	-1.1	6279.6	-1.9	
Natural gas production (bbl. eq. ft.)	Jul 86	52.4	-21.0	58.0	-18.8	
Coal production (000 short tons)	Jul 86	1107.0	-11.7	1009.0	-20.2	
Oil well completions	Jul 86	40.0	+40.0	29.0	-33.3	
Gas well completions	Jul 86	12.0	+69.9	38.0	-23.0	
Total footage drilled (000)	Jul 86	146.2	+49.0	98.3	-5.9	
Oil sales (\$ mil.)	May 86	78.9	-58.7	36.9	-39.6	
Gas sales (\$ mil.)	May 86	89.4	-51.3	92.3	-24.7	
4. CONSTRUCTION						
Employment** (000)	Jul 86	38.4	-0.5	38.3	-1.4	
Average hourly earnings (\$)	Jul 86	10.41	0.0	10.15	4.9	
Residential units permitted	Jul 86	847.0	-21.6	1472.0	-15.4	
Residential building permits (\$ mil.)	Jul 86	56.9	8.1	62.6	-3.6	
Nonresidential building permits (\$ mil.)	Jul 86	26.6	-30.3	36.0	-23.7	
Residential construction contracts (\$ mil.)	Jul 86	64.1	-31.6	74.7	-10.0	
Nonresidential construction contracts (\$ mil.)	Jul 86	36.9	+49.1	68.2	-22.3	
Nonbuilding construction contracts (\$ mil.)	Jul 86	21.0	-21.0	28.9	7.3	
5. TRANSPORTATION/COMMUNICATION/UTILITIES						
Employment** (000)	Jul 86	27.1	+6.1	27.0	-1.5	
Average hourly earnings** (\$)	Jul 86	10.88	-1.0	11.39	-4.7	
6. MANUFACTURING						
Employment** (000)	Jul 86	31.3	+0.2	31.3	0.9	
Average hourly earnings (\$)	Jul 86	8.98	3.3	8.85	1.7	
Electric & electronic equipment employment** (000)	Jul 86	6.2	-1.6	6.6	-1.9	
Transportation equipment employment** (000)	Jul 86	4.7	-2.3	4.7	10.9	
Food & kindred products employment** (000)	Jul 86	4.8	7.4	4.3	4.9	
Textile & apparel employment** (000)	Jul 86	2.3	4.6	2.4	0.0	
Lumber & wood products employment** (000)	Jul 86	2.8	-1.7	2.7	0.0	

NEW MEXICO ECONOMIC INDICATORS (continued)

		CURRENT MO/QT/	% CHANGE YEAR AGO	PREVIOUS MO/QT/	% CHANGE 12 MONTH AVERAGE
		DATA		DATA	
7. TRADE					
Wholesale employment** (000)	Jul 86	23.0	-0.8	23.1	0.9
Retail employment** (000)	Jul 86	109.8	5.9	105.8	6.6
Average hourly earnings (\$)	Jul 86	6.57	+1.0	6.94	0.0
8. FINANCE/INSURANCE/REAL ESTATE					
Employment** (000)	Jul 86	26.4	1.6	26.5	2.8
Bank average hourly earnings (\$)	Jul 86	5.69	1.5	5.78	3.7
Bank total assets (\$ mil.)	Jul 86	9607.8	5.3	9125.2	6.2
Bank total deposits (\$ mil.)	Jul 86	8128.4	4.5	8055.9	6.9
Bank gross loans (\$ mil.)	Jul 86	5565.8	1.3	5552.3	7.2
S & L total assets (\$ mil.)	Jul 86	5348.7	16.1	5332.7	15.1
S & L total deposits (\$ mil.)	Jul 86	4105.5	11.8	4235.8	15.8
S & L new mortgage loans closed/ave (\$ mil.)	Jul 86	175.1	-16.0	189.0	6.4
9. SERVICES AND TOURISM					
Total service employment** (000)	Jul 86	119.8	2.7	118.8	4.9
Lodging employment** (000)	Jul 86	14.2	11.0	12.9	11.8
Eating & drinking places employment** (000)	Jul 86	37.8	5.9	37.9	5.0
Visits to state parks (000)	Jul 86	939.8	17.8	999.0	13.1
Visits to national parks/monuments (000)	Jul 86	315.9	8.2	293.6	14.0
Passenger traffic at Albuquerque airport (000)	Jul 86	395.5	10.4	368.5	8.4
Lodgers tax receipts (\$ 000)	Jul 86	1711.5	N	1620.9	N
Lodging occupancy rates (%)	Jul 86	69.3	-1.6	67.4	-10.7
10. GOVERNMENT					
Total government employment** (000)	Jul 86	127.2	2.0	122.5	1.1
Federal employment** (000)	Jul 86	29.9	+1.3	29.5	+2.3
State employment** (000)	Jul 86	83.4	3.4	80.8	3.6
Local employment** (000)	Jul 86	55.9	3.7	53.8	10.8
Total general fund revenues*** (\$ mil.)	Jul 86	187.1	10.9	134.6	7.7

Note: Selected data items subject to revision.

N Not available.

* Number of persons by place of residence.

** Number of jobs by place of work.

*** Quarterly data seasonally adjusted at annual rates.

X These include wells that are in the following categories: new drillings, deepened, plugged back, reentry and additional zone.

XW Oil and gas collected.

XWV New mortgage loans closed equals the previously carried item "total loans closed" plus a relatively insignificant additional loan category.

For example, in the report that contained June 1985 figures this would be the percent change in the average of July 1984 to June 1985 data versus the average of July 1984 to June 1985 data.

Communications and utilities only.

Passenger traffic includes enplanements and deplanements.

XK Data require includes full and part-time employment at Los Alamos National Laboratories (LANL). Full-time employment at LANL is 7,688 as of September 1985 according to U. S. Dept. of Energy, Public Affairs.

XKX Includes recurring and non-recurring revenues.

Sources: New Mexico Employment Security Dept.: Sections 1, 3, 4, 5, 6, 7, 8, 9, 10;

U.S. Department, Inc.: Section 1;

U. S. Dept. of Commerce, Bureau of Economic Analysis: Section 1;

USDA Statistical Reporting Service: Section 2;

New Mexico Energy and Minerals Dept., Oil and Gas Conservation Division: Section 3;

New Mexico Taxation and Revenue Dept., Oil and Gas Accounting Division: Section 1;

U. S. Dept. of Energy, Energy Information Administration: Section 12;

U. S. Dept. of Commerce, Bureau of the Census: Section 9;

U. S. Budget Company (a division of Helwig Oil, Inc.): Section 6;

U. S. Federal Reserve: Section 8;

Federal Home Loan Bank of Dallas: Section 8;

New Mexico Natural Resources Dept., Parks and Recreation Division: Section 9;

U. S. National Park Service: Section 9;

City of Albuquerque, Albuquerque International Airport: Section 9;

New Mexico Dept. of Finance and Administration, Local Government Division: Section 92;

Farnell, Kerr and Forster: Section 92;

New Mexico Dept. of Finance and Administration: Section 10.

CITIES, COUNTIES AND FEATURES

GROSS RECEIPTS FROM RETAIL TRADE
TOP 20 CITIES
(\$000)

	CURRENT 3 MONTH AVERAGE * MAY-JUL	% CHANGE AVERAGE YEAR AGO	PREVIOUS 3 MONTH AVERAGE * FEB-APR
Alamogordo	\$ 11,521	+2.7	\$ 12,625
Albuquerque	216,451	0.2	199,121
Artesia	4,666	+25.2	5,035
Carlsbad	12,940	+7.8	11,662
Clovis	16,627	1.4	16,604
Deming	4,660	0.1	4,695
El Paso	7,211	+9.1	6,165
Farmington	27,585	+5.7	25,132
Gallup	20,876	2.6	19,930
Hobbs	16,257	+28.0	17,299
Las Cruces	11,535	+1.4	10,521
Las Vegas	5,811	+0.4	5,179
Los Alamos	6,282	+0.4	5,870
Livingston	1,500	+41.7	1,056
Portales	6,026	+10.2	4,518
Roswell	18,399	+1.6	18,027
Ruidoso	5,551	+8.7	4,819
Santa Fe	41,341	4.5	17,512
Silver City	6,818	+6.0	7,195
Taos	6,407	+1.1	5,941
State total	620,368	+0.4	572,018

Gross receipts reported are for gross receipts tax purposes, which do not include all the receipts of all firms.

* Averages are used to smooth out fluctuations in the data, which are not caused by changes in economic conditions.

Source: New Mexico Taxation and Revenue Department.

NEW MEXICO CONSTRUCTION
SELECTED CITIES

	NUMBER OF BUILDING UNITS OR PERMITS *		CUMULATIVE TOTAL THROUGH JULY		VALUE OF BUILDING PERMITS (\$000)		CUMULATIVE TOTAL THROUGH JULY	
	JULY 1986	JULY 1985	1986	1985	JULY 1986	JULY 1985	1986	1985
RESIDENTIAL **								
Alamogordo	25	18	178	111	\$ 1,112	\$ 925	\$ 8,315	\$ 5,305
Albuquerque	265	682	1,825	1,585	21,742	22,284	157,098	160,501
Carlsbad	12	7	67	15	611	622	2,519	2,018
Clovis	8	10	98	88	581	451	5,662	5,085
Farmington	6	9	56	83	112	245	2,184	2,029
Hobbs	5	1	21	29	219	50	1,052	1,445
Las Cruces	55	64	321	307	2,885	2,121	16,269	17,110
Los Alamos	5	4	60	65	680	305	5,084	5,187
Rio Rancho***	94	102	795	870	4,115	4,421	10,740	48,855
Roswell	9	7	51	13	512	165	2,193	1,427
Ruidoso	2	14	115	99	110	1,255	5,108	2,951
Santa Fe	56	91	641	179	2,711	4,111	18,605	17,918
NONRESIDENTIAL								
Alamogordo	10	11	56	81	190	111	911	1,577
Albuquerque	4	24	10	246	6,416	9,240	43,107	84,216
Carlsbad	15	46	68	101	818	1,151	1,121	2,592
Clovis	2	11	21	42	85	171	1,166	9,699
Farmington	1	4	12	20	225	121	2,625	1,126
Hobbs	1	1	12	6	12	10	1,682	111
Las Cruces	18	30	128	155	2,354	1,588	9,804	8,685
Los Alamos	10	7	48	29	152	21	1,806	112
Rio Rancho***	4	1	22	11	1,815	115	1,121	6,000
Roswell	11	44	65	129	11	272	1,561	889
Ruidoso	0	8	9	54	0	4,025	1,622	5,770
Santa Fe	21	21	58	91	2,278	1,158	8,475	12,207

Note: Top twelve cities chosen on basis of residential construction activity during the period 1982 through 1984.
r 1985 data is revised.

* Residential data shows the number of permitted units, while nonresidential data shows the number of permits.

** Residential data includes both single and multi-family units.

*** AMREP Southwest, Inc. reported Rio Rancho data.

Sources: AMREP Southwest, Inc.; Rio Rancho only;

U. S. Department of Commerce, Bureau of the Census; all others.

Albuquerque . . .

(continued from page 7)

Springs, Austin and Sacramento have all experienced healthy growth in the 1977-84 period. They have benefited from spillovers from a larger metropolitan area as well as the access to a large population base.

(This article is excerpted from *Business Climate: A Comparison of Selected Western Metropolitan Areas* which is available from the Data Bank, (505) 277-6626.)

David Boldt
Economist

1. Population and Employment Data For Selected Western Metropolitan Areas

Metropolitan Area	Population (000)	Ave. Ann. Population Growth Rate		Employment Growth, 1977-84 (Ave. Ann. % Ch.)			Total 1984 Metro Population Within 125 Miles of Area (000)
	1984	1980-84	1970-80	Total	Manufact.	High Tech	
Albuquerque	449.4	1.7	3.6	4.1	3.0	16.1	549.9
Austin	645.4	5.1	4.9	8.5	11.2	14.3	2433.6
Colorado Sps.	349.1	3.2	3.3	6.2	18.4	14.6	2397.1
El Paso	526.5	2.4	1.4	2.6	3.8	43.3	638.7
Las Vegas	536.5	4.0	7.0	5.9	4.8	8.8	536.5
Sacramento	1219.6	2.7	2.6	4.7	3.7	18.9	7660.7
Salt Lake	1025.3	3.2	3.3	3.7	4.6	10.6	1265.9
San Antonio	1188.5	2.7	2.1	4.6	3.3	10.1	1908.4
Tucson	594.8	3.0	5.1	5.6	16.0	86.0	2309.6
Tulsa	725.6	2.6	2.6	3.7	0.0	-1.1	1923.7

Source: U.S. Bureau of Census (Population). Population growth data is based on the SMSA definition for 1970-80 and the MSA definition for 1980-84. The 1984 population estimates are preliminary. U.S. Bureau of Economic Analysis and U.S. Bureau of Census, County Business Patterns (Employment). High Tech sectors are defined to include SIC 357, SIC 36 and SIC 38. Sacramento high tech employment growth is based on 1977-83 data. U.S. Bureau of Census and Standard Highway Mileage Guide, Rand McNally (Market Access).

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NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

Vol. 7 No. 9
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Current Economic Developments in New Mexico

The national economy appears to be losing steam though consumer spending still retains some muscle. The Commerce Department's leading indicators fell 0.2 percent in August, following a 1.0 percent gain in July. Industrial production was again flat in September. The formerly high-flying home building sector experienced a 13.4 percent drop in new home sales during August, and since March sales have descended 36.0 percent. Along with tax reform looms uncertainty that should act to depress capital spending.

Despite the appearance of a significant devaluation, closer examination reveals only a six percent reduction in the dollar's value according to a recent study by the Federal Reserve Bank of Dallas. In the analysis trade weights were recalculated using trade weights based upon 1982-85 trading patterns of all 131 nations with which the U.S. trades. By contrast, the popular Federal Reserve Board of Governors index showed a 34 percent devaluation with the index based upon the 1972-76 trading patterns of ten U.S. trading partners. The Dallas index demonstrates that since March, 1985 the dollar depreciated against Japanese and European currencies; remained at the same level versus Canada and Pacific Basin nations (i.e. Taiwan, Korea and so forth) because they peg their currencies to the dollar; and appreciated against Western Hemisphere countries. Foreign producers, moreover, are not raising prices, but instead are slicing profit margins to keep market share. With the dollar falling against some currencies U.S. exporters in those markets have some room to raise their prices. All this implies that the projected export-led recovery, which is based upon a weakened dollar, may be in jeopardy.

New Mexico increasingly mirrors the nation's economy. Again, low oil prices have carved into state severance tax revenues and depressed employment in the state's resource-dependent regions, while in Albuquerque, the office and apartment market is overbuilt, shown by high vacancy rates, a slowdown in new commercial construction, and weak employment growth. Stalled manufacturing, due to the relatively high dollar (explained earlier), and resulting slow export growth puts a lid on the city's electronic industry. If waning sales in the country's new single-home market strikes New Mexico, then this geared up sector will lose some of its punch locally.

Just as the U.S. economy is becoming more interdependent with the rest of the world's fortunes and New Mexico more interlinked with the national economy, it follows that New Mexico no longer is isolated but integrally affected by interna-

tional movements. Most recent economic trends have their origins abroad, such as collapsing commodity prices, foreign governments' subsidizing their mining industries, and weak U.S. production due to imports. For New Mexico's future, President Reagan's safeguarding of the Strategic Defense Initiative at the Iceland summit talks with Gorbachev bodes well for a program with a potentially big economic impact on New Mexico. Defense represents yet another link to international events vital to the state's economy.

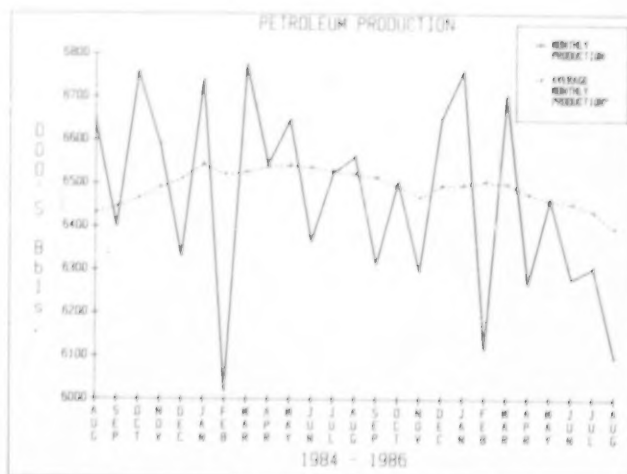
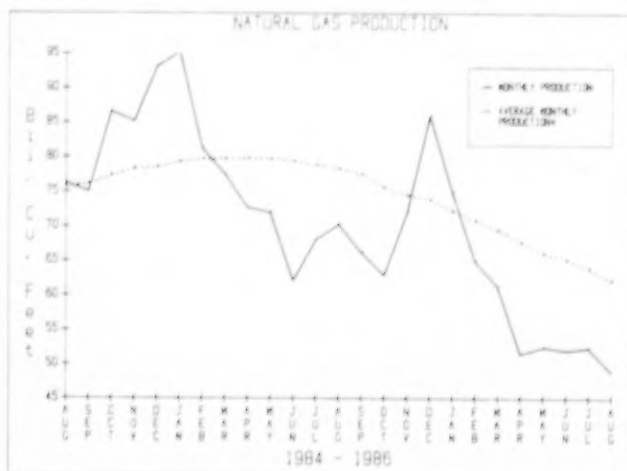
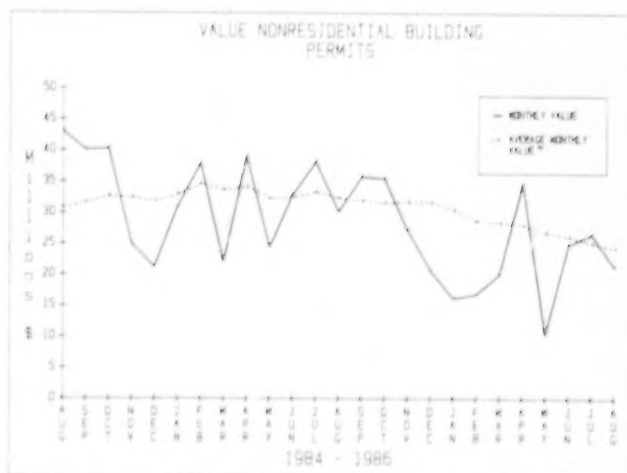
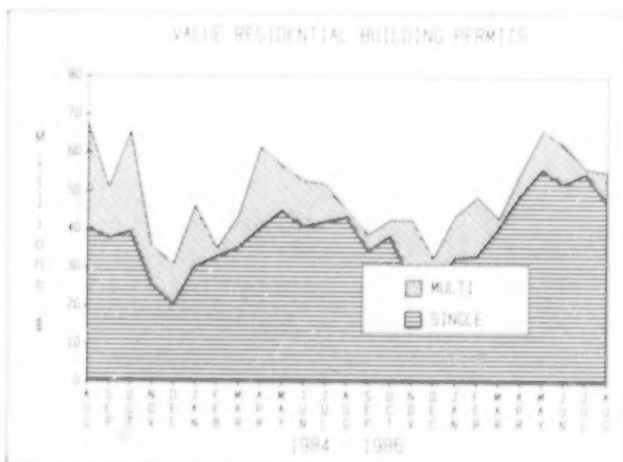
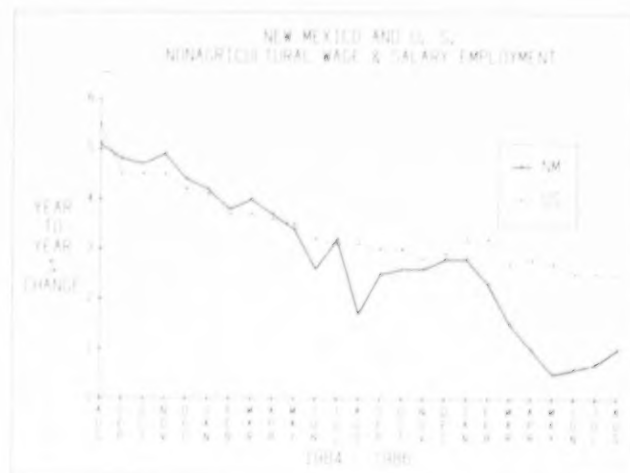
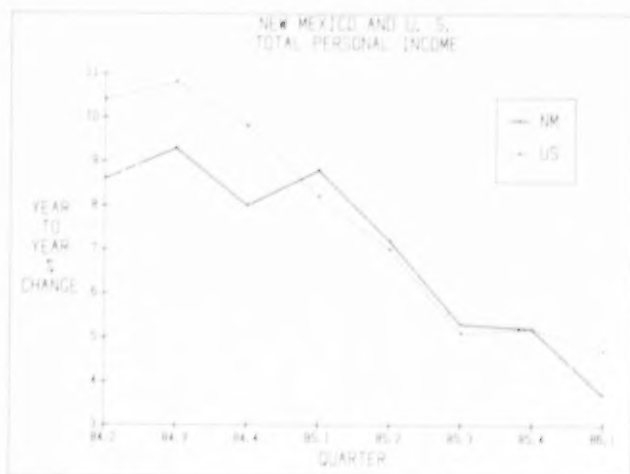
A slumping New Mexico economy showed a nonagricultural employment increase of only 1.0 percent in August over a year ago. The state's unemployment rate, meanwhile, rose from 8.6 percent to 9.0 percent during the same period. Another sign of weakness was 10.8 percent decline in new business incorporations over the last two twelve month averages. Personal income, the force igniting consumer spending, rose 3.7 percent in New Mexico during the first quarter of 1986 compared to the same period in 1985.

Consumer spending also is keeping the state's economy afloat as jobs in the retail trade sector grew 4.4 percent in August over a year ago; but jobs in wholesale trade fell 1.2 percent during the same period. Employment in the transportation, communications, and utilities sector dropped 6.8 percent while 24.7 percent of jobs in the mining sector vanished in August against a year ago. Output in the mining sector fared poorly as production fell 7.1 percent for petroleum, 30.4 percent for natural gas, and 19.7 percent for coal in August compared to a year earlier. Oil and gas well completions and sales also have dropped dramatically. The manufacturing and construction sectors showed a bare 0.3 percent employment increase in August against a year ago. During the same period the finance, insurance and real estate sector experienced a slight 1.6 percent growth in jobs and the government sector had a 2.7 percent gain in employment. Within the government sector state and local government employment rose modestly while federal employment declined. Again, no job growth occurred in electronics manufacturing but the smaller manufacturing industries of food processing, textile and apparel, and lumber and wood products all registered healthy employment gains in August over a year ago.

In the construction sector residential, non-residential, and non-building dollar-valued contracts fell substantially in August compared to last year. But over the last 12 months the moving average of the dollar value of residential permits rose

(Continued on page 8)

ECONOMIC TRENDS IN NEW MEXICO



*12 month moving average. For example, the point for August, 1986 represents an average of data from September, 1985 through August, 1986.

U.S. ECONOMIC INDICATORS

		CURRENT MO/ QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/ QTR DATA
Consumer price index				
All urban consumers (1967=100)				
All items	Aug 86	328.6	1.6	328.0
Food and beverages	Aug 86	316.6	4.2	312.7
Housing	Aug 86	362.4	2.3	361.5
Apparel and upkeep	Aug 86	297.0	0.8	293.2
Transportation	Aug 86	301.3	-6.0	304.7
Medical care	Aug 86	637.3	2.6	636.8
Entertainment	Aug 86	276.7	1.9	276.6
Other goods and services	Aug 86	396.6	-6.3	396.9
Revised series, wage earners and clerical workers (1967=100)				
All items	Aug 86	321.4	1.2	320.9
Gross national product* (SRB, constant)				
LT 86	1661.5	2.7	1657.9	
Prime interest rate** (% per annum)	Aug 86	7.5	-21.0	8.0
Mortgage interest rate*** (% per annum)	Jul 86	10.	-8.9	10.4
1 month treasury bill# (% per annum)	Aug 86	5.6	-22.9	5.8
Industrial production### (1977=100)	Jul 86	124.3	-0.3	124.2
Manufacturers new orders## (SRB,)	Jan 86	191.8	-3.2	192.1

NEW MEXICO AND U.S. COMPARISONS

	NEW MEXICO				UNITED STATES		
	CURRENT MO/ QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/ QTR DATA		CURRENT MO/ QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/ QTR DATA
Employment (000)	Aug 86	619.2	5.1	-622.5	311,515	8.7	311,812
Unemployment rate (%)	Aug 86	9.0	4.7	9.5	-6.7	-2.8	7.0
Nonagricultural employment (000)	Aug 86	521.4	1.0	-520.7	300,232	7.6	300,076
Personal income### (\$B,)	Jul 86	4	4	15,919	4	4	12,305,600
housing units permitted							
Single	Aug 86	754	5.6	796	90,512	0.8	88,230
Multi	Aug 86	306	260.0	91	51,560	-52.3	59,898

Note: Selected data items subject to revision.

N: Not available.

* 1982 dollars at seasonally adjusted annual rates.

** Floating rate for month.

*** Effective rate (in the primary market) on conventional mortgages, refinancing fees and charges, as well as contract rate and assumed, on the average, repayment at end of 30 years.

Rate on new issues within period; bank discount basis.

Monthly data seasonally adjusted.

Quarterly data seasonally adjusted at annual rates.

Sources: U. S. Department of Labor, News: CPI data; New Mexico Employment Security Department and U. S. Bureau of Labor Statistics: employment and unemployment data.

U. S. Department of Commerce, Bureau of Economic Analysis: income data.

U. S. Department of Commerce, Bureau of the Census: construction data.

U. S. Council of Economic Advisors, Economic Indicators: all other data.

NEW MEXICO ECONOMIC INDICATORS

		CURRENT MO/QR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QR DATA	% CHANGE# 12 MONTH AVERAGES
1. GENERAL					
Civilian labor force* (000)	Aug 86	689.4	5.6	687.7	3.7
Total employment* (000)	Aug 86	619.2	5.1	622.5	3.0
Unemployment* (000)	Aug 86	61.2	11.1	65.2	10.7
Unemployment rate (%)	Aug 86	9.0	4.7	9.5	7.4
Weekly new unemployment insurance claims	Aug 86	1455.0	16.9	1620.9	15.7
Nonagricultural wage/salary employment** (000)	Aug 86	521.4	4.0	520.2	1.8
New business incorporations	Jun 86	176.0	+22.4	157.0	+10.8
Personal income*** (\$ mil.)	1-86	15919.0	3.7	15762.0	9.4
2. AGRICULTURAL RECEIPTS					
Livestock and products (\$ mil.)	Jun 86	67.4	+0.9	63.5	+3.1
Crops (\$ mil.)	Jun 86	35.4	16.1	11.6	+1.1
Total (\$ mil.)	Jun 86	102.8	6.2	75.1	+1.1
3. MINING					
Employment** (000)	Aug 86	15.9	-24.7	15.1	-17.4
Average hourly earnings (\$)	Aug 86	11.97	2.8	12.57	4.3
Petroleum production (000 bbls.)	Aug 86	6097.0	-7.1	6107.2	-1.9
Natural gas production (bill. cu. ft.)	Aug 86	68.9	-10.4	52.4	+20.6
Coal production (000 short tons)	Aug 86	1893.0	-19.7	1107.0	+13.6
Oil well completions*	Aug 86	11.0	-59.2	30.0	+15.7
Gas well completions*	Aug 86	15.0	-89.4	12.0	+5.0
Total footage drilled&w (000)	Aug 86	116.0	-71.7	144.2	+10.2
Oil sales (\$ mil.)	Jun 86	79.7	-69.2	78.9	+60.0
Gas sales (\$ mil.)	Jun 86	77.5	-50.4	89.4	+77.6
4. CONSTRUCTION					
Employment** (000)	Aug 86	38.6	0.1	38.2	+1.2
Average hourly earnings (\$)	Aug 86	10.80	0.8	10.65	3.9
Residential units permitted	Aug 86	1063.0	32.7	847.0	+7.9
Residential building permits (\$ mil.)	Aug 86	25.4	21.8	26.4	1.9
Nonresidential building permits (\$ mil.)	Aug 86	23.3	+28.9	26.0	+23.4
Residential construction contracts (\$ mil.)	Aug 86	51.9	+19.0	71.8	+10.2
Nonresidential construction contracts (\$ mil.)	Aug 86	38.1	+23.8	40.6	+15.4
Nonbuilding construction contracts (\$ mil.)	Aug 86	26.9	+36.1	21.0	+1.7
5. TRANSPORTATION/COMMUNICATION/UTILITIES					
Employment** (000)	Aug 86	27.1	+6.8	27.1	+4.1
Average hourly earnings** (\$)	Aug 86	12.75	13.9	11.57	5.6
6. MANUFACTURING					
Employment** (000)	Aug 86	38.1	0.1	37.3	0.7
Average hourly earnings (\$)	Aug 86	8.60	1.7	8.95	3.7
Electric & electronic equipment employment** (000)	Aug 86	6.6	0.0	6.7	+1.8
Transportation equipment employment** (000)	Aug 86	4.1	2.5	4.1	2.9
Food & kindred products employment** (000)	Aug 86	4.9	4.1	4.4	4.8
Textile & apparel employment** (000)	Aug 86	2.5	8.7	2.3	0.0
Lumber & wood products employment** (000)	Aug 86	2.8	3.8	2.7	0.0

NEW MEXICO ECONOMIC INDICATORS (continued)

		CURRENT MO/QUARTER DATA	% CHANGE YEAR AGO	PREVIOUS MO/QUARTER DATA	% CHANGE # 12 MONTH AVAILABLE
7. TRADE					
Wholesale employment** (000)	Aug 86	22.8	-1.7	23.9	0.9
Retail employment** (000)	Aug 86	107.2	0.9	105.8	0.6
Average hourly earnings (\$)	Aug 86	6.88	4.8	6.53	5.5
8. FINANCE/INSURANCE/REAL ESTATE					
Employment** (000)	Aug 86	26.5	1.6	26.9	0.3
Bank average hourly earnings (\$)	Aug 86	5.60	1.9	5.40	4.7
Bank total assets (\$ mil.)	1 86	3940.8	5.3	3735.7	6.2
Bank total deposits (\$ mil.)	1 86	8128.4	4.5	8031.9	6.4
Bank gross loans (\$ mil.)	1 86	5265.8	3.7	5052.3	7.2
S & L total assets (\$ mil.)	Jul 86	5148.0	10.3	5144.4	10.1
S & L total deposits (\$ mil.)	Jul 86	9147.8	11.7	9103.0	10.2
S & L new mortgage loans originated (\$ mil.)	Jul 86	152.4	99.0	136.3	9.2
9. SERVICES AND TOURISM					
Total service employment*** (000)	Aug 86	119.9	1.3	119.7	0.2
Lodging employment** (000)	Aug 86	13.4	10.8	13.0	11.2
Eating & drinking places employment** (000)	Aug 86	38.6	6.7	37.7	5.3
Visits to state parks (000)	Jul 86	939.8	17.8	904.0	13.1
Visits to national parks/monuments (000)	Aug 86	295.7	12.8	315.5	11.6
Passenger traffic at Albuquerque airport# (000)	Aug 86	940.9	12.2	895.5	6.2
Lodgers tax receipts (\$ 000)	1 86	3731.5	N	3670.9	N
Lodging occupancy rates (%)	Aug 86	75.6	-0.1	76.4	-11.0
10. GOVERNMENT					
Total government employment** (000)	Aug 86	126.3	7.3	121.7	3.9
Federal employment** (000)	Aug 86	29.6	-1.0	30.0	-2.3
State employment** (000)	Aug 86	94.3	8.8	91.6	3.0
Local government** (000)	Aug 86	2.4	9.0	2.1	1.9
Total general fund expenditures (\$ mil.)	Jul 86	103.6	-10.2	116.3	5.6

NOTE: Selected data subject to revision.

N Not available.

* Number of persons by kind of residence.

** Number of persons by place of work.

*** Quarterly data seasonally adjusted at annual rates.

These figures include only those in the following categories: new arrivals, deepened, plucked back, reentry.

and old arrivals.

New mortgage loans originated. The previously carried item "Total loans originated" plus a relatively insignificant amount of new loans originated.

This figure is the first time contained since 1985 figures this would be the percent change in the average of July 1981 to June 1986 data versus the average of July 1981 to June 1985 data.

Seasonally adjusted at annual rates.

Passenger traffic includes both and part time employment at Los Alamos National Laboratory (LANL).

This figure includes both and part time employment at Los Alamos National Laboratory (LANL).

Includes recurring and non-recurring revenues.

Sources: New Mexico Employment Security Dept.; Sections 1, 3, 4, 5, 6, 7, 8, 9, 10;

and Recreation, Inc.; Section 1;

U. S. Dept. of Commerce, Bureau of Economic Analysis; Section 1;

U.S.A. Statistical Reporting Service; Section 1;

New Mexico Energy and Minerals Dept., Oil and Gas Conservation Division; Section 1;

New Mexico Taxation and Revenue Dept., Oil and Gas Accounting Division; Section 1;

U. S. Dept. of Energy, Energy Information Administration; Section 1;

U. S. Dept. of Commerce, Bureau of the Census; Section 6;

E. W. Dodge Company (a Division of McGraw-Hill, Inc.); Section 9;

U. S. Federal Reserve; Section 8;

Federal Home Loan Bank of Dallas; Section 8;

New Mexico Natural Resources Dept., Parks and Recreation Division; Section 9;

U. S. National Park Service; Section 9;

City of Albuquerque, Albuquerque International Airport; Section 9;

New Mexico Dept. of Finance and Administration, Local Government Division; Section 9;

Parsons, Kerr and Forster; Section 9;

New Mexico Dept. of Finance and Administration; Section 10.

CITIES, COUNTIES AND FEATURES

GROSS RECEIPTS[#] FROM RETAIL TRADE
TOP 20 CITIES
(\$000)

	CURRENT 3 MONTH AVERAGE * JUN-AUG -----	% CHANGE AVERAGE YEAR AGO -----	PREVIOUS 3 MONTH AVERAGE * MAR-MAY -----
Alamogordo	\$ 13,918	-1.4	\$ 12,599
Albuquerque	221,178	1.9	198,488
Artesia	5,079	-16.1	4,523
Carlsbad	13,077	-8.2	11,809
Clovis	16,906	0.9	15,075
Deming	4,754	2.6	4,552
Espanola	7,374	-7.9	6,626
Farmington	27,426	-5.3	25,335
Gallup	22,050	7.3	20,071
Hobbs	15,946	-28.2	16,994
Las Cruces	31,970	-1.2	30,650
Las Vegas	6,007	-0.8	5,399
Los Alamos	6,768	9.0	5,651
Lovington	3,379	-38.4	3,707
Portales	6,536	-6.7	4,636
Roswell	18,885	-0.0	17,814
Ruidoso	6,831	-2.9	4,475
Santa Fe	46,787	5.6	36,941
Silver City	6,767	-18.4	7,376
Taos	7,179	-0.9	5,898
State total	629,568	-0.3	573,984

Gross receipts reported are for gross receipts tax purposes, which do not include all the receipts of all firms.

* Averages are used to smooth out fluctuations in the data, which are not caused by changes in economic conditions.

Source: New Mexico Taxation and Revenue Department.

NEW MEXICO CONSTRUCTION
SELECTED CITIES

	NUMBER OF BUILDING UNITS OR PERMITS *				VALUE OF BUILDING PERMITS (\$000)			
	AUG. 1986	AUG. 1985	CUMULATIVE TOTAL THROUGH AUG. 1986	AUG. 1985	AUG. 1986	AUG. 1985	CUMULATIVE TOTAL THROUGH AUG. 1986	AUG. 1985
RESIDENTIAL **								
Alamogordo	38	23	216	154	\$ 1,610	\$ 954	\$ 10,124	\$ 6,649
Albuquerque	507	187	4,332	3,773	22,583	11,915	179,652	152,436
Carlsbad	15	16	62	51	822	425	3,256	2,504
Clovis	17	7	115	95	574	445	6,236	5,528
Farmington	13	13	67	96	495	511	2,680	3,535
Hobbs	6	3	27	32	261	331	1,313	2,146
Las Cruces	29	33	352	440	1,849	1,963	18,618	19,893
Los Alamos	4	3	44	78	392	451	5,436	7,062
Rio Rancho***	103	108	898	978	5,821	6,759	44,963	55,604
Roswell	7	9	58	82	461	258	2,804	4,185
Ruidoso	6	7	121	106	485	570	6,254	8,122
Santa Fe	52	100	493	474	2,427	4,383	20,522	22,321
NONRESIDENTIAL								
Alamogordo	22	12	78	93	354	131	1,287	1,808
Albuquerque	1	18	31	264	1,092	5,297	44,199	90,213
Carlsbad	9	30	77	191	41	101	1,214	2,693
Clovis	1	6	24	53	899	100	2,665	4,749
Farmington	2	3	19	23	344	204	3,019	1,330
Hobbs	0	2	12	8	0	964	1,682	1,677
Las Cruces	22	18	150	173	3,649	5,765	13,053	14,451
Los Alamos	11	10	59	41	72	82	3,879	258
Rio Rancho***	1	8	23	25	40	1,615	7,162	7,619
Roswell	12	21	77	150	14	205	1,574	1,089
Ruidoso	3	6	12	60	6	161	1,428	5,931
Santa Fe	17	23	75	116	2,188	1,868	10,603	14,076

Note: Top twelve cities chosen on basis of residential construction activity during the period 1982 through 1984.

* 1985 data is revised.

** Residential data shows the number of permitted units, while nonresidential data shows the number of permits.

*** AMREP Southwest, Inc. reported Rio Rancho data.

Sources: AMREP Southwest, Inc.; Rio Rancho only;
U. S. Department of Commerce, Bureau of the Census: all others.

CITIES, COUNTIES AND FEATURES (continued)

ESTIMATED CIVILIAN LABOR FORCE AND EMPLOYMENT
(000)

	NEW MEXICO			ALBUQUERQUE MSA*			LAS CRUCES MSA**			SANTA FE MSA***		
	AUG. p	% CHANGE YEAR AGO	JULY r	AUG. p	% CHANGE YEAR AGO	JULY r	AUG. p	% CHANGE YEAR AGO	JULY r	AUG. p	% CHANGE YEAR AGO	JULY r
TOTAL CIVILIAN LABOR FORCE	680.4	5.6	687.7	256.2	6.4	258.5	55.7	16.8	55.0	69.9	4.8	65.7
Employment	619.2	5.1	622.5	239.8	6.7	241.6	51.8	19.4	50.7	61.6	5.9	61.9
Unemployment	61.2	11.1	65.2	16.4	3.2	17.0	3.9	-9.3	4.3	8.3	6.5	3.7
Unemployment rate (%)	9.0	4.7	9.5	6.4	-3.0	6.6	6.9	-23.3	7.9	5.7	0.0	5.7
NONAGRICULTURAL WAGE & SALARY EMPLOYMENT	521.4	1.0	520.2	225.2	2.4	224.1	38.6	13.9	37.8	52.6	-0.3	52.2
Mining	14.9	-24.7	15.1	0.3	0.0	0.3	N	N	N	0.1	0.0	0.1
Contract construction	38.6	0.3	38.2	18.7	-1.0	18.5	2.9	16.0	2.9	3.6	-5.2	3.5
Manufacturing	38.1	0.3	37.3	19.5	0.6	19.5	3.3	-2.9	3.1	3.7	13.4	1.5
Durable goods	24.4	-0.4	24.3	13.8	-1.5	13.9	3.3	8.4	3.4	1.0	11.2	0.9
Nondurable goods	13.7	1.5	13.0	5.7	-1.7	5.6	2.0	-9.0	1.7	0.7	16.7	0.6
Transportation & public utilities	27.1	-6.8	27.1	11.8	0.0	11.8	1.4	7.7	1.3	1.1	0.0	1.1
Trade	130.0	3.4	128.7	58.6	2.9	58.2	8.2	10.9	8.2	10.4	-0.9	10.2
Wholesale	22.8	-1.2	22.9	14.2	-0.6	14.3	0.8	0.0	0.8	0.8	14.3	0.8
Retail	107.2	4.4	105.8	44.4	4.0	43.9	7.4	12.2	7.4	9.7	0.0	9.5
Finance, insurance, & real estate	26.5	1.6	26.4	13.7	1.5	13.6	1.7	6.3	1.7	2.1	5.0	2.1
Services	119.9	3.3	119.7	59.5	3.2	59.5	5.7	11.8	5.5	13.6	0.0	13.6
Government	126.3	2.7	127.7	43.1	3.9	42.7	15.5	23.1	15.2	20.1	0.0	20.2
Federal	29.6	-1.0	30.0	12.9	0.8	12.9	4.7	0.0	4.7	1.6	-5.8	1.6
State	44.3	3.8	43.6	11.8	1.8	11.1	6.4	42.3	6.2	15.2	2.1	15.2
Local	52.4	4.0	54.1	18.4	7.7	18.7	4.4	29.5	4.3	3.3	-5.7	3.4

N Not available, less than 50 jobs.

p Preliminary.

r Revised.

* Bernalillo County.

** Dona Ana County.

*** Santa Fe and Los Alamos Counties.

† Includes labor disputes.

Source: New Mexico Employment Security Department.

SELECTED PER CAPITA STATE GOVERNMENT REVENUES*
U.S. and Southwestern States
Fiscal Year 1984

	Intergovernmental Revenue				Taxes							Charges and Miscellaneous Revenues				Other
	Total Revenue	Total	Federal	Local	Total	General Sales	Motor Fuel Sales	Individual Income	Corporate Income	Severance	Other	Total	Higher Education	Interest Income	Royalties	Rents
United States	\$1,686	\$346	\$323	\$23	\$836	\$266	\$53	\$250	\$66	\$31	\$170	\$223	\$61	\$56	\$14	\$13
New Mexico	2,344	372	349	23	967	406	75	53	37	298	135	728	82	293	151	129
Arizona	1,491	223	196	27	327	374	63	173	65	0	152	182	75	29	1	72
Oklahoma	1,535	274	268	6	807	138	44	199	29	213	184	263	102	69	0	19
Texas	1,183	217	216	1	615	230	32	0	0	139	206	196	56	51	30	5
Colorado	1,535	295	292	3	671	249	59	240	28	9	86	240	112	41	3	15
Utah	1,741	401	391	10	724	320	53	234	27	23	67	282	100	75	13	3

PERCENT DISTRIBUTION

United States	100.0	20.5	19.2	1.4	49.6	15.8	3.1	14.8	3.9	1.8	10.1	13.2	3.6	3.3	0.8	0.8
New Mexico	100.0	15.9	14.9	1.0	41.3	17.3	3.2	2.3	1.6	11.0	5.9	31.1	3.5	12.5	6.4	5.5
Arizona	100.0	15.0	13.1	1.8	55.5	25.1	4.2	11.6	4.4	0.0	10.2	12.2	5.0	1.9	0.1	0.3
Oklahoma	100.0	17.9	17.5	0.4	52.6	9.0	2.9	13.0	1.9	13.9	12.0	17.1	6.6	4.5	0.5	1.2
Texas	100.0	18.3	18.3	0.1	52.0	20.1	2.7	0.0	0.0	11.7	17.4	16.6	4.7	4.3	2.5	0.4
Colorado	100.0	19.2	19.0	0.2	43.7	16.2	3.8	15.6	1.8	0.6	5.6	15.6	7.3	2.7	0.2	1.0
Utah	100.0	23.0	22.5	0.6	41.6	18.4	3.0	13.4	1.6	1.3	3.8	16.2	5.7	4.3	0.7	0.2

* Detail may not add to total due to rounding.

Source: U.S. Department of Commerce, Bureau of the Census, State Government Finances in 1984.

Economic Developments . . .

(Continued from page 1)

just 1.9 percent and the number of residential units permitted dropped 7.9 percent. The strong single-family home market has compensated for an abated multi-family market. Construction of new multi-family units has been halved since 1984 levels and is expected to weaken in 1987. During the last 12 months the moving average of dollar-valued construction contracts dropped 15.4 percent for non-residential and 1.7 percent for non-building construction.

Tourism accounted for most of the service sector's job growth with employment in lodging rising 10.8 percent in August over last year. Lodging occupancy rates declined 11.0 percent during the last 12 month moving average compared to the previous average, but rates jumped seasonally from 69.3 percent in July to 75.6 percent in August. Yet despite a boost in tourism hotel construction has slackened. Recently in Albuquerque, two planned projects, a new Radisson Hotel and an expansion at the Winrock Inn, were scuttled while one expansion is still on the board. A new Hilton hotel opened in Las Cruces and several lodging places opened this summer in the Santa Fe and Taos areas. In 1986, the lodging occupancy rate in Santa Fe rose 4 to 10 percent during the tourist season even with the addition of 1000 new rooms, while in Taos the occu-

pancy rate increased 10 to 15 percent. Another indicator of expanding tourism, visits to state and national parks, climbed 17.8 and 12.8 percent, respectively, over a year ago.

In regional economic activity, a new port of entry opened at Santa Teresa, near Las Cruces, that initially will be a cattle crossing and later expected to be a twin plant industrial park with Mexico. The Pentagon selected White Sands as the site for a large research facility named the Ground Based Free Electron Laser Technology Integration Experiment. The project will employ 500-2000 workers during construction and employ 250 workers permanently. Congress also approved initial funding of \$80 to \$125 million for a new highway between Santa Fe and Los Alamos. Meanwhile, Giant Industries plans to build a new \$12 million gas isomerization unit and a travel center on I-40 east of Gallup that would employ 200. Yet in the depressed southeast area of New Mexico gross receipts from retail trade declined substantially against a year ago.

Typically, Albuquerque's economy performs better than the state's economy. As for major area projects, Signetics is building a new fabrication unit which will employ 100 workers in a year. The \$30 million Paseo Del Norte Bridge connecting Albuquerque's east and west sides should also be completed next year. As further evidence of a stronger employment picture, Albuquerque's unemployment rate in August was 6.4 percent compared to New Mexico's 9.0 percent.

Richard Zimmerman
Economist

Bureau of Business and Economic Research

Institute for Applied Research Services
The University of New Mexico
Albuquerque, NM 87131
(505) 277-2216

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NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

Vol. 7 No. 10
November 1986

New County Population Projections

The recent downturn in the state's economy is a well-known, if not welcome, trend, and hardly news. What is new this month is the projected effect of New Mexico's economic malaise upon population and employment trends through 2005. Not surprisingly, the rate of population growth is slowing—just like the economy. The state's population is projected to increase to 1,983,000 in 2005, at an average annual rate of almost 2.1 percent, compared to 2.8 percent annually through the 1970s. Of course a 25-year average masks a more significant decrease in the annual rate of growth, from 2.2 percent, 1980–1985, to 1.4 percent, 2000–2005.

Through the 1980s a decline in growth among the non-metropolitan counties is effected through out-migration due to the loss of jobs in the energy/mining counties, which represent over half of the nonmetropolitan population. Since 1981, New Mexico has lost one-half of the employment in its mining sector, 16,000 jobs, and it is unlikely that the extractive industries will see any recovery in the balance of this decade. The state's oil and gas industry is projected to lose another 2,000 jobs in 1987 before that industry stabilizes. The worst is almost over, but the New Mexico economy will continue to adjust in 1987 and 1988 to these massive layoffs.

With the negative, indirect effects of the mining sector upon the trade and services sectors, and the anticipated decline in federal spending, metropolitan population growth is also slowing. In fact, the reduction in total population growth from 1980–1985 to 1985–1990 is more pronounced in the metropolitan areas, –3.5 percentage points, than in the nonmetropolitan counties, –2.5 percentage points. Federal military spending, particularly for SDI at Sandia Labs and Los Alamos has been a recent prop to state economic growth. However, the recently approved federal budget for FY87 calls for a slight decline in real federal spending, and it is unlikely that federal expenditures will be a source of future growth for the New Mexico economy.

The combined effect of cutbacks in the mining sector and government spending, the primary bases of New Mexico's economy, is precipitating an immediate decrease in migration and population growth. And the stabilization of these economic changes is projected to increase the level of migration after 1990; however, population growth will not return to the rapid rates of increase that were experienced through the 1970s. The slowdown

is an inevitable consequence of not only economic change, but also an underlying demographic transition—the aging of the population, especially the aging of the baby boom generation.

Just as the birth of the baby boom had spurred population growth from 1946 through 1964, the coming of age of this generation increased the flow of migration through the 1970s and decreased migration in the 1980s. Understanding the effect of the baby boom upon migration begins in the late 1960s when the first cohorts were maturing and entering the state of household formation. Problems like inflation and job and housing shortages, many of which were engendered by the sheer size of the baby boom cohorts, discouraged their coming of age and assimilation. Confronted with the gap between the economic reality of finding a job and home and the high expectations fostered by the postwar prosperity of their childhood, the baby boom reacted by setting new trends.

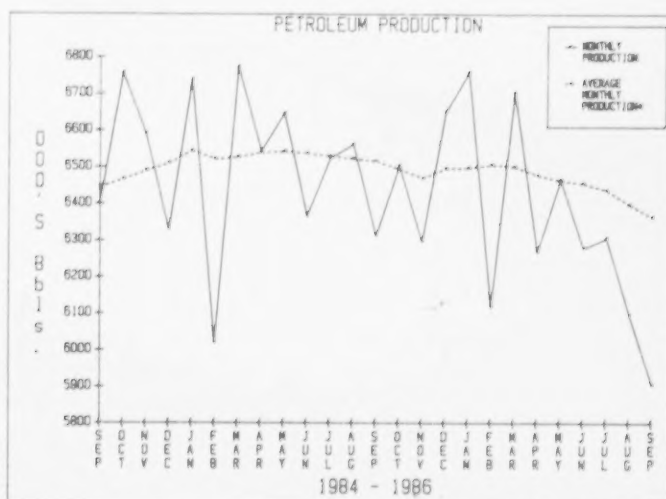
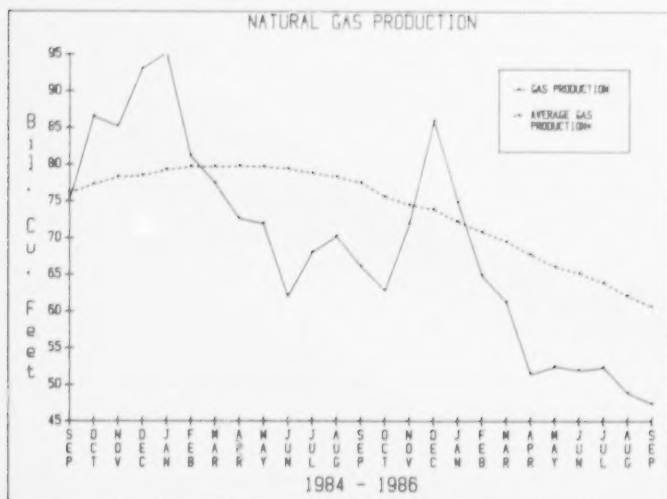
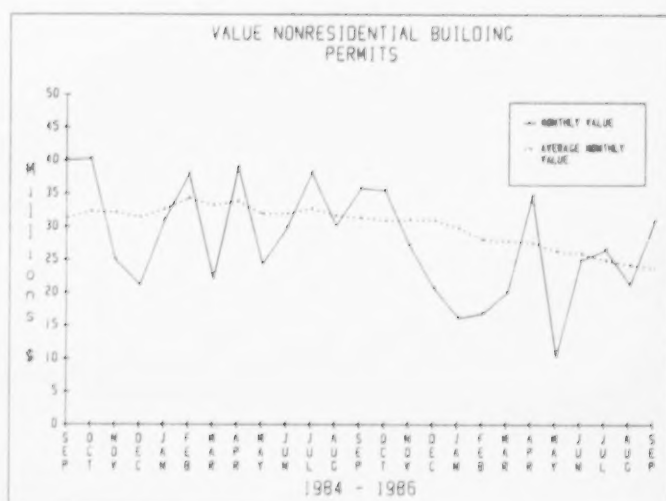
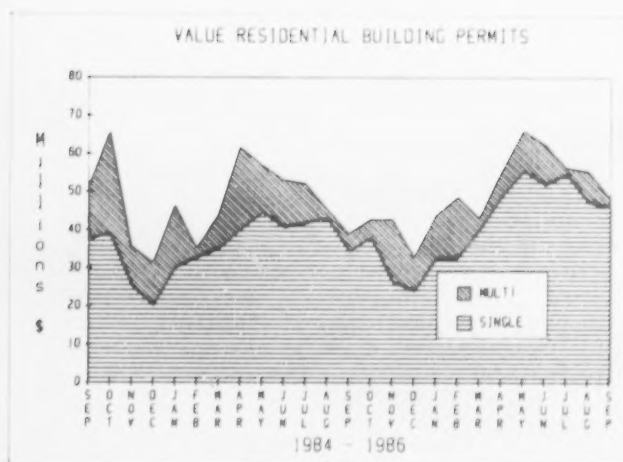
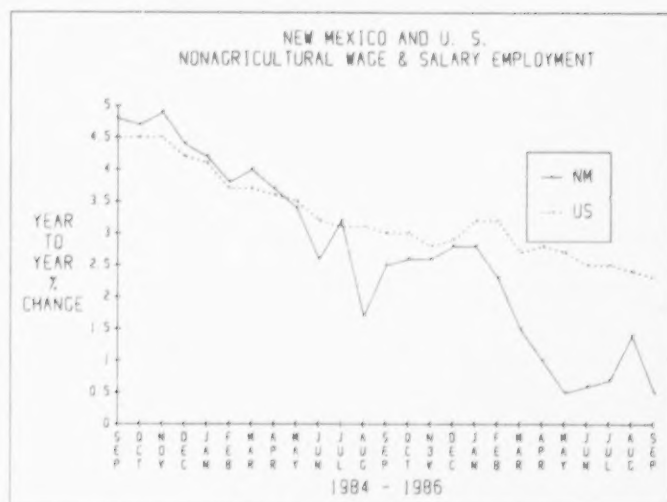
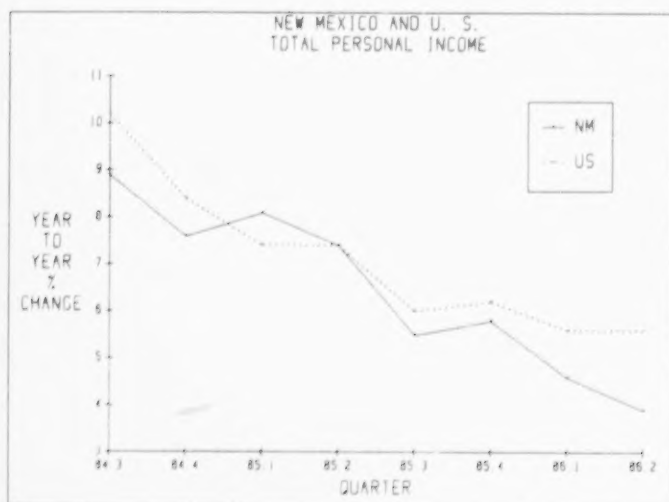
Record college enrollments, delayed marriage and childbearing, increased labor force participation of women and migration in search of jobs and housing were just a few of the demographic trends set by the baby boom's response to the shortages. In the North, the scarcity of land, energy crisis, recessions and rising costs encouraged not only the baby boom, but also businesses to leave for the amenities offered by the South and West. The availability of affordable, developable land, favorable climates, lower costs of living, and aggressive recruiting by states in the South and West attracted the out-migrants from the North through the 1970s. The in-migration, in turn, stimulated construction and growth in the local economies of the South and West.

The same interaction of demographic and economic changes began to slow growth in the late 1970s. The first cohorts of the baby boom turned 30 and entered the family-building stage when they were settling down, and the later cohorts of the baby boom (1957–1965) did not show the same proclivity to migrate. Economic deterrents slowed the rate of household formation, and the level of migration, more quickly than expected in the 1980s, but the passage of the last of the baby boom into the 25–34 year-old family cycle in 1990 would have reduced the flow of migration anyway.

Levels of net migration have been decreasing since 1975 in New Mexico. From the peak of over 75,000, 1970–1975,

(Continued on page 7)

ECONOMIC TRENDS IN NEW MEXICO



*12 month moving average. For example, the point for August, 1986 represents an average of data from September, 1985 through August, 1986.

U.S. ECONOMIC INDICATORS

		CURRENT MO/ QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/ QTR DATA
Consumer price index				
All urban consumers (1967=100)				
All items	Sep 86	330.2	1.8	328.6
Food and beverages	Sep 86	315.1	4.3	314.6
Housing	Sep 86	363.7	2.8	362.4
Apparel and upkeep	Sep 86	212.1	1.2	207.0
Transportation	Sep 86	302.2	-5.5	303.3
Medical care	Sep 86	419.7	7.7	437.5
Entertainment	Sep 86	275.3	3.2	274.7
Other goods and services	Sep 86	353.3	6.0	346.4
Revised series, wage earners and clerical workers (1967=100)				
All items	Sep 86	324.9	1.4	323.4
Gross national product* (\$Bil. constant)				
	III 86	3683.3	2.3	3661.4
Prime interest rate** (% per annum)	Oct 86	7.5	-21.0	7.5
Mortgage interest rate*** (% per annum)	Sep 86	10.2	-8.5	10.3
3 month treasury bill# (% per annum)	Oct 86	5.2	-27.7	5.2
Industrial production## (1977=100)	Sep 86	125.3	0.9	125.1
Manufacturers new orders## (\$Bil.)	Aug 86	192.8	+3.0	194.6

NEW MEXICO AND U.S. COMPARISONS

		NEW MEXICO			UNITED STATES		
		CURRENT MO/ QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/ QTR DATA	CURRENT MO/ QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/ QTR DATA
Employment (000)	Sep 86	618.4	1.6	621.5	110,229	2.2	111,535
Unemployment rate (%)	Sep 86	9.0	7.7	9.0	6.8	+1.4	6.7
Nonagricultural employment (000)	Sep 86	527.3	0.5	523.7	100,899	2.3	100,168
Personal income### (\$Mil.)	II 86	16,394	4.0	16,300	4,479,582	5.7	4,410,034
Housing units permitted							
Single	Sep 86	690	-21.7	795	64,416	+21.3	80,512
Multi	Sep 86	101	+58.9	106	86,529	1.7	53,560

Note: Selected data items subject to revision.

N Not available.

* 1982 dollars at seasonally adjusted annual rates.

** Closing rate for month.

*** Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years.

Rate on new issues within period; bank discount basis.

Monthly data seasonally adjusted.

Quarterly data seasonally adjusted at annual rates.

Sources: U. S. Department of Labor, News: CPI data;

New Mexico Employment Security Department and U. S. Bureau of Labor Statistics; employment and unemployment data.

U. S. Department of Commerce, Bureau of Economic Analysis; income data;

U. S. Department of Commerce, Bureau of the Census; construction data.

U. S. Council of Economic Advisors, Economic Indicators; all other data.

NEW MEXICO ECONOMIC INDICATORS

		CURRENT MO/QR DATA	% CHANGE YEAR AGO	PRI VIOUS MO/QR DATA	% CHANGE# 12 MONTH AVERAGES
1. GENERAL					
Civilian labor force* (000)	Sep 86	679.3	4.3	682.8	3.9
Total employment* (000)	Sep 86	618.4	3.6	621.5	3.3
Unemployment* (000)	Sep 86	60.9	11.8	61.3	10.2
Unemployment rate (%)	Sep 86	9.0	7.2	9.0	5.9
Weekly new unemployment insurance claims	Sep 86	1573.0	32.3	1668.0	19.4
Nonagricultural wage/salary employment** (000)	Sep 86	527.3	0.5	523.7	1.7
New business incorporations	Aug 86	180.0	+26.9	194.0	+33.2
Personal income*** (\$ mil.)	74 86	36199.0	3.0	36300.0	5.0
2. AGRICULTURAL RECEIPTS					
Livestock and products (\$ mil.)	Jul 86	93.7	1.9	92.4	+1.2
Crops (\$ mil.)	Jul 86	39.7	+62.2	39.4	+72.2
Total (\$ mil.)	Jul 86	76.5	+29.4	77.8	+5.1
3. MINING					
Employment** (000)	Sep 86	10.6	+27.7	14.9	+39.2
Average hourly earnings (\$)	Sep 86	12.39	5.7	12.63	2.3
Petroleum production (000 bbl.)	Sep 86	5906.6	+6.4	6092.0	+2.3
Natural gas production (Btu, 100, 000, ft.)	Sep 86	97.4	+28.3	98.9	+23.8
Coal production (000 short tons)	Sep 86	1710.0	+21.8	1803.0	+16.2
Oil well completions	Sep 86	28.0	+30.9	33.0	+15.8
Gas well completions	Sep 86	7.0	+87.3	15.0	+14.3
Total footage drilled** (000)	Sep 86	309.5	+55.3	310.0	+14.8
Oil sales (\$ mil.)	Jul 86	68.4	+55.3	75.7	+25.3
Gas sales (\$ mil.)	Jul 86	81.4	+52.4	79.5	+30.7
4. CONSTRUCTION					
Employment** (000)	Sep 86	38.0	+0.5	38.6	+1.0
Average hourly earnings (\$)	Sep 86	10.88	+2.5	10.79	3.9
Residential units permitted	Sep 86	793.0	+1.0	7661.0	+4.4
Residential building permits (\$ mil.)	Sep 86	48.6	29.3	55.4	5.7
Nonresidential building permits (\$ mil.)	Sep 86	30.9	+13.6	23.3	+23.8
Residential construction contracts (\$ mil.)	Sep 86	59.4	9.6	56.2	+8.6
Nonresidential construction contracts (\$ mil.)	Sep 86	60.3	25.7	36.1	+33.3
Nonbuilding construction contracts (\$ mil.)	Sep 86	41.7	9.1	26.9	3.9
5. TRANSPORTATION/COMMUNICATION/UTILITIES					
Employment** (000)	Sep 86	28.1	+6.6	27.2	+4.6
Average hourly earnings** (\$)	Sep 86	13.43	19.3	11.18	7.4
6. MANUFACTURING					
Employment** (000)	Sep 86	38.4	0.6	38.1	0.6
Average hourly earnings (\$)	Sep 86	8.67	2.5	8.67	4.9
Electric & electronic equipment employment** (000)	Sep 86	6.8	3.1	6.6	+1.4
Transportation equipment employment** (000)	Sep 86	4.0	0.0	4.1	7.9
Food & kindred products employment** (000)	Sep 86	5.3	6.0	5.1	4.8
Textile & apparel employment** (000)	Sep 86	2.4	0.0	2.4	0.0
Lumber & wood products employment** (000)	Sep 86	2.8	7.7	2.8	0.0

NEW MEXICO ECONOMIC INDICATORS (continued)

		CURRENT MO/QUARTER DATA	% CHANGE YEAR AGO	PREVIOUS MO/QUARTER DATA	% CHANGE # 12 MONTH AVERAGES
7. TRADE					
Wholesale employment** (000)	Sep 86	22.6	-2.1	22.8	0.5
Retail employment** (000)	Sep 86	107.0	3.9	107.5	6.5
Average hourly earnings (\$)	Sep 86	6.78	0.9	6.69	0.0
8. FINANCE/INSURANCE/REAL ESTATE					
Employment** (000)	Sep 86	26.9	2.8	26.9	2.1
Bank average hourly earnings (\$)	Sep 86	5.76	2.9	5.77	3.7
Bank total assets (\$ mil.)	1- 86	9901.8	5.3	9315.7	6.2
Bank total deposits (\$ mil.)	1- 86	8128.9	4.5	8091.9	6.9
Bank gross loans (\$ mil.)	1- 86	5565.8	3.7	5552.3	7.2
S & L total assets (\$ mil.)	Aug 86	5412.6	18.4	5345.6	15.0
S & L total deposits (\$ mil.)	Aug 86	4360.6	10.1	4347.8	14.5
S & L new mortgage loans closed*** (\$ mil.)	Aug 86	150.9	10.6	152.4	11.0
9. SERVICES AND TOURISM					
Total service employment** (000)	Sep 86	117.5	2.0	119.7	4.9
Lodging employment** (000)	Sep 86	12.9	9.4	13.6	11.3
Eating & drinking places employment** (000)	Sep 86	38.2	4.1	38.5	9.2
Visits to state parks (000)	Aug 86	976.1	23.7	1132.2	20.8
Visits to national parks/monuments (000)	Sep 86	118.1	0.0	294.1	14.0
Passenger traffic at Albuquerque airport# (000)	Sep 86	123.1	9.5	640.9	8.3
Lodgers tax receipts (\$ 000)	1- 86	1714.5	4	1620.3	5
Lodging occupancy rates (%)	Sep 86	63.8	1.0	75.4	+9.9
10. GOVERNMENT					
Total government employment** (000)	Sep 86	139.7	3.6	128.5	3.7
Federal employment** (000)	Sep 86	29.4	-0.1	30.0	-2.3
State employment** 000 (000)	Sep 86	48.9	2.5	94.0	1.8
Local employment** (000)	Sep 86	36.4	2.0	54.5	7.3
Total general fund revenues000 (\$ mil.)	Sep 86	116.8	28.1	127.4	9.6

Note: Selected data items subject to revision.

N Not available.

* Number of persons by place of residence.

** Number of jobs by place of work.

*** Quarterly data seasonally adjusted at annual rates.

These include wells that are in the following categories: new drillings, deepened, plugged back, reentry and additional zone.

N& Oil and gas combined.

N& New mortgage loans closed equals the previously carried item "total loans closed" plus a relatively insignificant additional loan category.

For example, in the report that contained June 1985 figures this would be the percent change in the average of July 1983 to June 1984 data versus the average of July 1984 to June 1985 data.

Communications and utilities only.

Passenger traffic includes enplanements and deplanements.

This figure includes full and part time employment at Los Alamos National Laboratories (LANL). Full time employment alone at LANL is 7,955 as of AUGUST 1986 according to U. S. Dept. of Energy, Public Affairs.

0000 Includes recurring and non-recurring revenues.

Sources: New Mexico Employment Security Dept.; Sections 1, 3, 4, 5, 6, 7, 8, 9, 10;
 Dun and Bradstreet, Inc.; Section 1;
 U. S. Dept. of Commerce, Bureau of Economic Analysis; Section 1;
 USDA Statistical Reporting Service; Section 2;
 New Mexico Energy and Minerals Dept.; Oil and Gas Conservation Division; Section 3;
 New Mexico Taxation and Revenue Dept.; Oil and Gas Accounting Division; Section 3;
 U. S. Dept. of Energy, Energy Information Administration; Section 1;
 U. S. Dept. of Commerce, Bureau of the Census; Section 4;
 F. W. Dodge Company (a division of McGraw-Hill, Inc.); Section 4;
 U. S. Federal Reserve; Section 8;
 Federal Home Loan Bank of Dallas; Section 8;
 New Mexico Natural Resources Dept., Parks and Recreation Division; Section 9;
 U. S. National Park Service; Section 9;
 City of Albuquerque, Albuquerque International Airport; Section 9;
 New Mexico Dept. of Finance and Administration, Local Government Division; Section 9;
 Parnell, Kerr and Forster; Section 9;
 New Mexico Dept. of Finance and Administration; Section 10.

CITIES, COUNTIES AND FEATURES

GROSS RECEIPTS FROM RETAIL TRADE
TOP 20 CITIES
(\$000)

	CURRENT 3 MONTH AVERAGE * JUL-SEP	% CHANGE AVERAGE YEAR AGO	PREVIOUS 3 MONTH AVERAGE * APR-JUN
Alamogordo	\$ 11,758	+2.1	\$ 11,336
Albuquerque	221,357	+0.4	217,354
Artesia	9,076	-19.0	9,699
Carlsbad	12,517	-10.1	12,906
Crowley	16,597	+6.9	16,702
Deming	4,646	+2.4	4,766
Esplanada	7,636	+3.8	7,337
Farmington	25,990	+2.8	27,371
Gallup	22,070	+6.1	21,096
Hobbs	15,654	+28.0	17,277
Las Cruces	31,922	+2.1	32,603
Las Vegas	9,822	+7.1	9,744
Los Alamos	6,230	+5.4	6,264
Livingston	1,322	-14.8	3,734
Portales	3,458	+8.1	5,462
Roswell	18,943	+0.7	18,949
Ruidoso	7,215	+6.0	5,194
Santa Fe	49,715	+4.7	41,115
Silver City	6,817	-18.6	7,767
Taos	7,731	+4.6	6,309
State total	625,734	+2.4	612,997

Gross receipts reported are for gross receipts tax purposes, which do not include all the receipts of all firms.

* Averages are used to smooth out fluctuations in the data, which are not caused by changes in economic conditions.

Source: New Mexico Taxation and Revenue Department.

NEW MEXICO CONSTRUCTION
SELECTED CITIES

	NUMBER OF BUILDING UNITS OR PERMITS *				VALUE OF BUILDING PERMITS (\$000)			
	SEPT. 1986	SEPT. 1985	CUMULATIVE TOTAL THROUGH SEPT.		SEPT. 1986	SEPT. 1985	CUMULATIVE TOTAL THROUGH SEPT.	
			1986	1985			1986	1985
RESIDENTIAL**								
Alamogordo	10	26	296	194	\$ 955	\$ 1,142	\$ 11,574	\$ 8,737
Albuquerque	228	259	4,560	4,012	15,753	11,501	195,404	161,937
Carlsbad	8	7	70	58	192	190	2,649	2,981
Crowley	15	7	130	102	989	499	7,229	6,023
Farmington	7	9	74	105	346	257	1,026	1,792
Hobbs	7	4	28	33	70	65	1,483	2,201
Las Cruces	55	64	407	504	2,558	2,120	21,115	26,014
Los Alamos	9	6	51	89	1,596	937	7,032	7,999
Rio Rancho***	120	87	1,018	1,065	6,258	4,521	51,221	60,125
Roswell	13	7	91	84	819	651	1,643	2,836
Ruidoso	5	5	126	111	411	362	6,665	8,491
Santa Fe	52	41	585	635	2,478	2,216	21,000	21,133
NONRESIDENTIAL*								
Alamogordo	4	4	82	74	954	801	2,150	1,924
Albuquerque	7	9	38	271	10,211	14,474	54,411	104,642
Carlsbad	5	11	82	204	42	12	1,276	2,730
Crowley	8	6	32	59	522	132	1,186	4,886
Farmington	2	3	21	26	176	412	1,195	1,762
Hobbs	0	1	12	9	0	71	1,682	1,750
Las Cruces	14	12	164	185	486	2,560	13,519	12,011
Los Alamos	8	2	67	41	50	13	3,929	271
Rio Rancho***	5	1	28	26	1,938	210	11,100	7,824
Roswell	12	21	89	171	130	22	1,596	1,419
Ruidoso	0	1	12	61	0	82	1,458	6,031
Santa Fe	16	7	91	124	2,011	1,808	12,615	19,610

Note: Top twelve cities chosen on basis of residential construction activity during the period 1982 through 1984.

* 1985 data is revised.

Residential data shows the number of permitted units, while nonresidential data shows the number of permits.

** Residential data includes both single and multi-family units.

*** AMREP Southwest, Inc. reported Rio Rancho data.

Sources: AMREP Southwest, Inc.; Rio Rancho only;
U. S. Department of Commerce, Bureau of the Census; all others.

CITIES, COUNTIES AND FEATURES (continued)

ESTIMATED CIVILIAN LABOR FORCE AND EMPLOYMENT
(000s)

	NEW MEXICO			ALBUQUERQUE MSA*			LAS CRUCES MSA**			SANTA FE MSA***		
	SEPT. 8	% CHANGE YEAR AGO	AUG. 7	SEPT. 8	% CHANGE YEAR AGO	AUG. 7	SEPT. 8	% CHANGE YEAR AGO	AUG. 7	SEPT. 8	% CHANGE YEAR AGO	AUG. 7
TOTAL CIVILIAN LABOR FORCE	679.3	9.3	682.8	255.9	8.2	257.2	57.9	16.5	55.9	62.1	9.4	64.8
Employment	618.9	7.6	621.5	218.9	9.1	220.8	51.6	12.6	52.0	59.5	8.2	61.5
Unemployment	60.4	11.7	61.3	37.0	9.1	36.4	6.3	3.9	3.9	2.6	11.2	3.3
Unemployment rate (%)	8.9	1.2	8.9	14.5	1.0	14.2	10.9	23.9	7.5	4.2	2.0	5.3
NONAGRICULTURAL WAGE & SALARY EMPLOYMENT	587.1	7.5	589.7	206.1	7.2	207.1	43.1	11.2	42.8	51.1	8.5	52.9
Mining	74.8	-11.7	74.2	0.2	0.0	0.2	0.1	0.0	0.1	0.1	0.0	0.1
Contract construction	18.0	0.6	18.6	7.2	-4.3	6.8	2.8	12.0	3.0	3.5	-2.7	3.6
Manufacturing	139.4	0.6	139.7	59.1	1.6	59.5	3.5	-2.8	3.4	3.6	-6.8	3.6
Durable goods	64.9	0.5	65.1	23.8	1.0	23.8	1.1	-8.4	1.0	1.0	-10.0	1.0
Non-durable goods	74.5	0.8	74.6	35.3	-1.7	35.7	2.4	-2.6	2.4	2.6	-10.0	2.6
Transportation & public utilities	28.5	-6.6	27.0	12.4	0.5	12.4	1.5	1.2	1.4	1.1	0.0	1.1
Trade	129.6	2.8	130.1	58.9	1.8	58.6	4.2	1.9	4.0	10.1	0.0	10.4
Wholesale	33.6	-2.1	32.8	14.1	-0.7	14.2	0.8	0.0	0.8	0.7	0.0	0.7
Retail	96.0	3.9	97.3	44.8	-2.6	44.4	3.4	1.9	3.2	9.4	0.0	9.2
Finance, insurance, & real estate	72.4	2.8	74.4	11.1	-2.1	11.1	1.1	11.9	11.1	8.3	5.0	8.3
Services	211.0	2.9	212.7	95.0	-0.5	95.0	5.0	0.9	5.6	13.3	4.8	14.5
Government	118.1	1.3	118.5	55.9	-0.5	56.1	18.2	0.9	15.6	19.8	-4.9	20.1
Federal	29.4	-0.1	29.3	10.9	-0.1	10.9	4.5	-2.1	4.2	1.5	-1.1	1.6
State	48.9	2.4	49.0	11.1	-0.9	11.0	7.7	0.0	6.9	14.7	-1.2	15.2
Local	39.8	0.0	39.2	33.9	0.5	34.0	5.0	23.0	9.5	3.6	5.8	3.7

N Not available, 1986 data not yet published.
D Preliminary.
R Revised.

* Bernalillo County.
** Dona Ana County.
*** Data for the Los Alamos County area.
R Includes labor divisions.

Source: New Mexico Employment Security Department.

Population Projections . . .

(Continued from page 1)

the net gain from migration decreased to less than 68,000, 1975-1980. In 1980 the recession hastened the decreasing level of net migration to 54,200, but the total increase in the state's population was 150,000, 1980-1985—greater than the growth in the early 1970s.

While the aging of the baby boom into the family building years decreased migration, it increased births. This generation included so many women that even increased rates of childlessness and delayed childbearing did not deter the inevitable "echo effect" of the original boom.

The combined effect of the increase in total births and low death rates raised the level of natural increase (births minus deaths) in New Mexico by 34 percent to 96,000, 1980-1985. Future growth will incorporate the higher levels of natural increase through the projection interval, 1980-2005. Birth rates are expected to decrease gradually through 1990 and rapidly to 2000. Death rates will begin to increase in 1995 gradually at first, more rapidly with the aging of the baby boom. Overall, the level of natural increase is projected to peak at 101,000, 1985-1990, with a low of 89,000, 1995-2000—well above the five-year average of 71,000 in the 1970s.

Higher levels of natural increase will compensate somewhat for lower levels of migration. Migration is projected

to drop to less than 24,000, or less than 20 percent of total growth from 1985 to 1990, a consequence of the weak economic outlook for the state. After 1990, recovery and stronger growth in jobs are expected to increase migration. Total rates of growth, however, will continue to decline as a result of decreasing birth rates and increasing death rates.

Projections of the population by age and sex and total employment by county are presented in five-year intervals, 1980-2005, in the latest report from BBER. With this report, the BBER is introducing a new service, the Demographic Analysis and Projections Service (DAPRO), and a new approach to the preparation of population projections for counties in New Mexico. DAPRO is a subscription service that is designed to provide more comprehensive analysis of the demographic and economic trends affecting New Mexico and more timely data, including the population projections. Although the complete report, excerpted above, is not available to the nonsubscribing public, the projections are being released in an abbreviated format. For further information, contact the Data Bank, 277-6626.

Lynn Bodin Wombold
Senior Demographer

POPULATION PROJECTIONS BY COUNTY
NEW MEXICO

County	1980	1985	1990	1995	2000	2005
New Mexico	1,308,700	1,459,000	1,583,500	1,718,400	1,853,300	1,982,700
Bernalillo	421,600	470,200	510,200	551,300	588,500	621,200
Catron	2,700	2,800	3,000	3,200	3,300	3,500
Chaves	51,300	56,500	57,500	60,400	63,200	66,200
Cibola	30,000	33,400	36,100	38,700	41,100	43,600
Colfax	13,700	14,400	15,000	15,800	16,600	17,300
Curry	42,000	41,600	41,800	41,200	41,700	42,000
DeBaca	2,400	2,400	2,400	2,300	2,300	2,200
Dona Ana	97,300	121,100	144,000	162,200	179,900	196,300
Eddy	48,100	52,900	55,000	58,100	61,500	65,100
Grant	26,200	27,400	28,500	30,100	32,200	34,200
Guadalupe	4,500	4,500	4,500	4,700	4,800	4,900
Harding	1,100	1,000	1,000	900	900	900
Hidalgo	6,100	6,200	6,700	7,100	7,600	8,200
Lea	56,400	65,900	66,300	71,200	77,100	83,900
Lincoln	11,100	14,200	15,600	16,800	18,000	19,000
Los Alamos	17,600	18,400	18,800	19,900	20,800	21,100
Luna	15,700	17,800	19,800	21,300	22,500	23,700
McKinley	55,700	62,800	70,900	79,400	89,200	99,200
Mora	4,200	4,500	4,900	5,100	5,400	5,500
Otero	44,800	49,000	54,100	58,500	62,500	66,800
Quay	10,600	11,300	11,800	11,800	11,800	11,900
Rio Arriba	29,400	32,900	35,300	38,800	42,300	45,800
Roosevelt	15,700	16,400	17,200	17,800	18,200	18,600
Sandoval	35,200	44,200	51,900	60,400	68,900	77,300
San Juan	81,800	91,700	99,500	112,800	126,000	142,900
San Miguel	22,800	25,000	27,000	29,200	31,300	33,400
Santa Fe	75,700	84,700	90,300	96,600	102,600	107,900
Sierra	8,500	8,500	10,200	10,500	10,500	10,300
Socorro	12,600	13,900	15,100	16,700	18,100	19,500
Taos	19,600	22,100	25,600	28,800	30,000	30,200
Torrance	7,500	8,600	9,400	10,400	11,400	12,300
Union	4,700	5,000	5,000	5,000	4,900	4,900
Valencia	30,900	35,100	39,400	44,100	48,600	52,900
Metropolitan	612,300	694,500	761,300	830,100	891,700	946,400
Nonmetropolitan	696,400	764,500	820,200	888,300	961,600	1,036,300

Source: Bureau of Business and Economic Research
University of New Mexico

Bureau of Business and Economic Research
Institute for Applied Research Services
The University of New Mexico
Albuquerque, NM 87131
(505) 277-2216

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NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

Vol. 7 No. 11
December 1986

1986 Economic Review and Outlook for the New Mexico Economy in 1987

The U.S. economy during 1986 continued to be characterized by both strong increases in domestic spending, particularly consumer spending, and weak growth in domestic production. The large gap between domestic spending and production was filled by sharp increases in foreign imports. Overall, real GNP growth of 2.6 percent in 1986 about matched the sub-par rate of 1985.

The national economic performance during 1986 was disappointing. Sharp declines in energy prices, the accompanying mild inflation, the lowest interest rates in seven years and the declining dollar exchange rate were all expected to provide a powerful stimulus to the economy. Falling energy prices did boost real disposable income and contributed to a surge in consumer spending. However, falling energy prices also meant severe, negative consequences for the U.S. oil and gas industry where over 130,000 jobs were lost and expenditures for exploration activity plummeted.

Lower interest rates did provide some initial stimulus to the U.S. single family housing industry which experienced a good year in 1986. However, multi-family housing construction weakened in the face of a nationwide surplus of apartment units and the less favorable tax advantages under the new tax reform bill. The falling foreign exchange rate of the dollar did little to stimulate the domestic export industries, primarily because imports continue to flood the U.S. from Far East countries whose exchange rates have remained stable relative to the dollar.

The outlook in 1987 for the U.S. economy is for more of the same—an economy expanding at a sub-par 2.6 percent pace in a mild inflationary environment. Consumer spending is expected to increase at a slightly slower pace, while housing construction activity will be flat. Gains in single family housing will offset expected declines in apartment construction. Business investment expenditures are projected to fall slightly, responding to the negative effects of tax reform and current excess capacity. Federal government spending will also decline slightly in real terms, the beginning of an emerging trend necessary to achieve federal budget deficit reduction targets. Offsetting the expected decline in business and government spending will be strong growth in the volume of exports, as the falling dollar finally brings relief to the domestic export industries.

The New Mexico economy during 1986 in many ways mir-

rored events at the national level. Massive layoffs in the state's oil and gas industry and an end to Albuquerque's construction boom held back overall growth in the New Mexico economy during 1986. After having increased 3.1 percent in 1985, New Mexico nonagricultural employment growth is expected to average only 1.0 percent for all of 1986. The state economy, however, was weakening as the year progressed so that by September, 1986 employment growth had slowed to only 0.46 percent. New Mexico personal income in the first half of 1986 increased only at a 4.3 percent annual rate—one-third off the 6.7 percent pace of 1985.

Since January 4, 300 jobs have been lost in New Mexico's oil and gas industry—a dramatic 33.0 percent decline—as the New Mexico economy experienced immediate, negative consequences of sharply lower petroleum prices. Another 700 jobs were lost in early 1986 when MolyCorp's molybdenum mine shut down in Taos county. After having increased at an unprecedented 16.5 percent average annual rate since 1983, Albuquerque construction employment levels began to fall slightly by the summer of 1986. Overbuilding is evident among the city's apartments, office buildings, hotels and retail development.

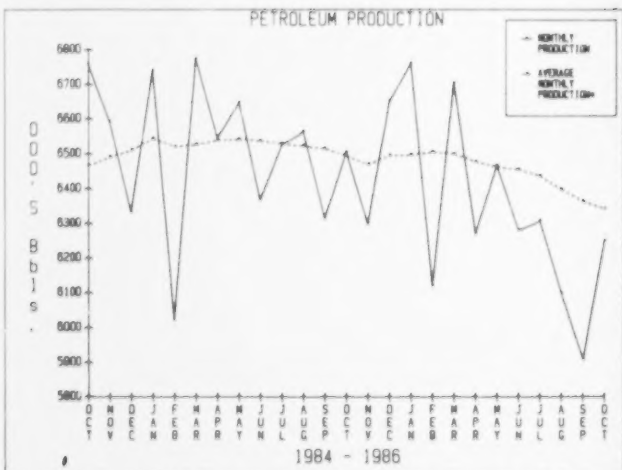
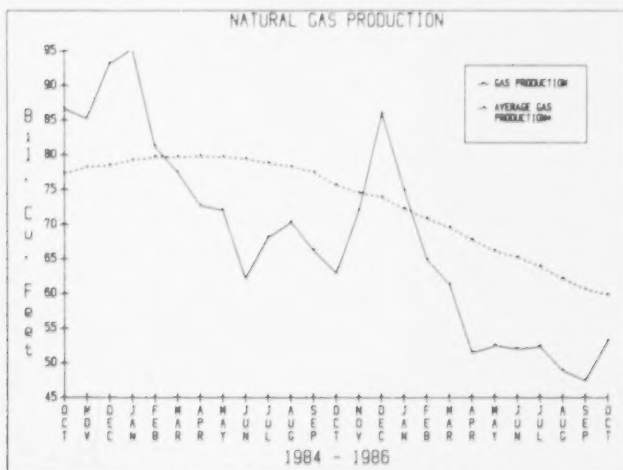
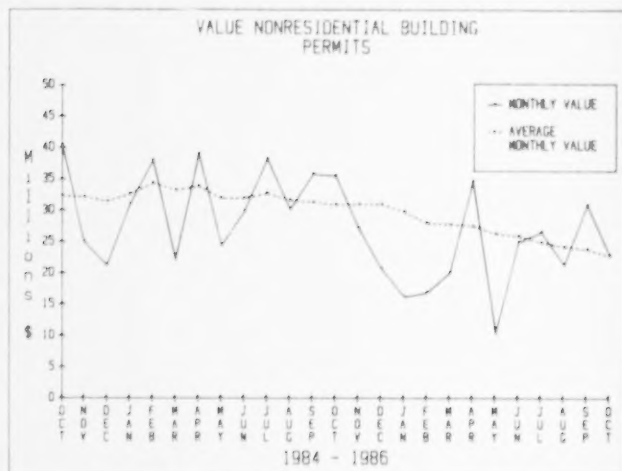
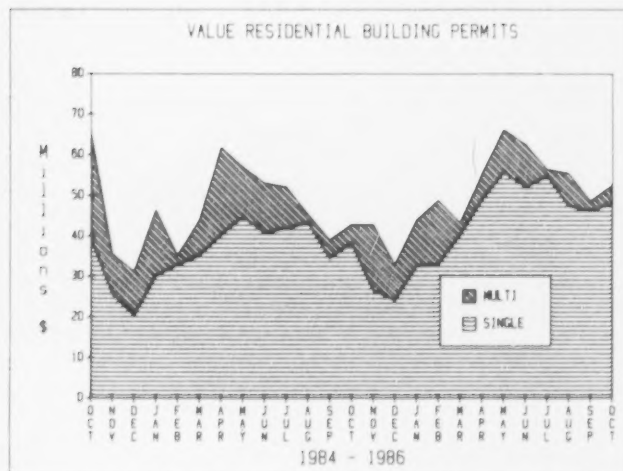
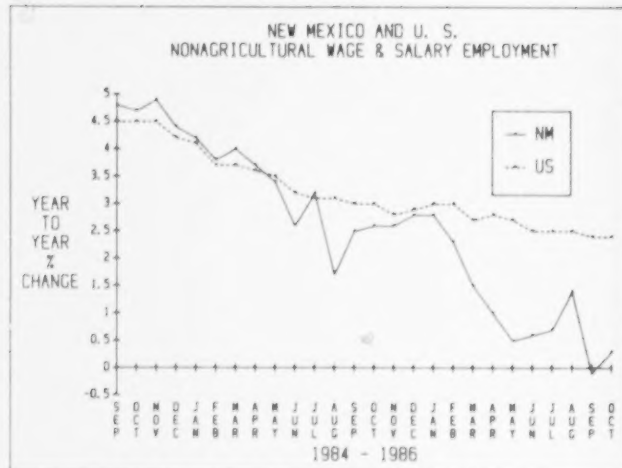
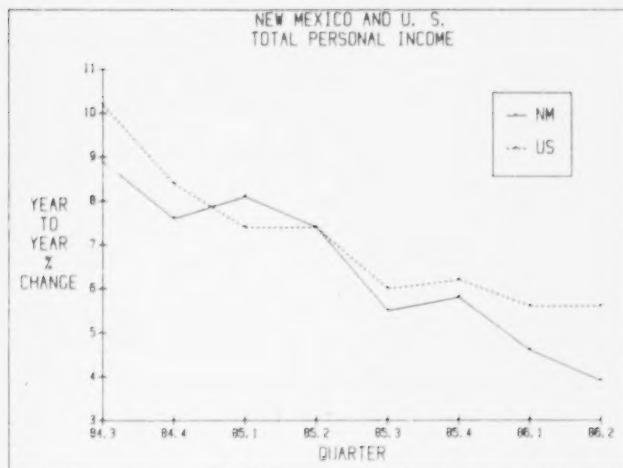
Strength in the New Mexico economy in 1986 was concentrated in retail trade and services where employment grew 5.2 percent and 3.3 percent, respectively. These sectors responded to strong consumer spending, which was boosted by the positive impact of falling energy prices and mild inflation on the purchasing power of disposable income. Single family housing construction also had a good year, aided by the lowest mortgage interest rates in seven years.

New Mexico's large government sector has experienced very modest growth since 1980, and 1986 was no exception. Total government employment is estimated to have increased only 1.2 percent in 1986, as all levels of government—federal, state and local—suffered fiscal constraints. In particular, oil and gas revenues to the state general fund have fallen from \$385 million in FY 81-82 to only \$163 million in the current fiscal year. During the regular and special sessions in 1986, the Legislature increased gross receipts and income taxes by \$202 million to replace the falling oil and gas revenues.

The Albuquerque economy continues to outperform the rest of the state, but the city's growth has clearly slowed in 1986.

(Continued on Page 8)

ECONOMIC TRENDS IN NEW MEXICO



*12 month moving average. For example, the point for August, 1986 represents an average of data from September, 1985 through August, 1986.

U.S. ECONOMIC INDICATORS

	CURRENT MO/QTR	DATA	% CHANGE YEAR AGO	PREVIOUS MO/ QTR DATA
Consumer price index				
All urban consumers (1967=100)				
All items	Oct 86	330.5	1.5	330.2
Food and beverages	Oct 86	315.6	4.3	315.1
Housing	Oct 86	363.0	2.4	363.7
Apparel and upkeep	Oct 86	213.2	1.0	212.1
Transportation	Oct 86	302.6	-5.7	302.2
Medical care	Oct 86	442.3	7.7	439.7
Entertainment	Oct 86	276.5	3.0	275.3
Other goods and services	Oct 86	354.6	5.9	353.3
Revised series, wage earners and clerical workers (1967=100)				
All items	Oct 86	325.0	1.2	324.9
Gross national product* (\$Bil. constant)				
	III 86	3687.3	2.4	3661.4
Prime interest rate** (% per annum)	Nov 86	7.5	-21.0	7.5
Mortgage interest rate*** (% per annum)	Oct 86	10.0	-9.5	10.2
3 month treasury bill# (% per annum)	Nov 86	5.3	-25.6	5.2
Industrial production### (1977=100)	Oct 86	125.2	1.3	125.2
Manufacturers new orders### (\$Bil.)	Sep 86	199.4	1.1	192.8

NEW MEXICO AND U.S. COMPARISONS

	NEW MEXICO				UNITED STATES		
	CURRENT MO/QTR	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA
Employment (000)	Oct 86	622.3	3.6	615.9	110,857	2.3	110,229
Unemployment rate (%)	Oct 86	8.8	3.6	9.0	6.5	-4.4	6.7
Nonagricultural employment (000)	Oct 86	527.0	0.4	524.6	101,514	2.4	100,977
Personal income### (\$Mil.)	II 86	16,394	4.0	16,300	3,479,582	5.7	3,430,034
Housing units permitted							
Single	Oct 86	713	16.6	690	92,388	4.1	93,417
Multi	Oct 86	192	1.1	103	42,949	-37.9	58,512

 Note: Selected data items subject to revision.

N Not available.

* 1982 dollars at seasonally adjusted annual rates.

** Closing rate for month.

*** Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years.

Rate on new issues within period; bank discount basis.

Monthly data seasonally adjusted.

Quarterly data seasonally adjusted at annual rates.

Sources: U. S. Department of Labor, News: CPI data;
 New Mexico Employment Security Department and U. S. Bureau of Labor Statistics: employment and unemployment data;
 U. S. Department of Commerce, Bureau of Economic Analysis: income data;
 U. S. Department of Commerce, Bureau of the Census: construction data.
 U. S. Council of Economic Advisors, Economic Indicators: all other data.

NEW MEXICO ECONOMIC INDICATORS

		CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE # 12 MONTH AVERAGES
1. GENERAL					
Civilian labor force* (000)	Oct 86	682.4	4.0	676.7	4.0
Total employment* (000)	Oct 86	622.3	3.6	615.9	3.5
Unemployment* (000)	Oct 86	60.1	7.9	60.8	9.4
Unemployment rate (%)	Oct 86	8.8	3.6	9.0	4.6
Weekly new unemployment insurance claims	Oct 86	1878.0	15.5	1573.0	20.8
Nonagricultural wage/salary employment** (000)	Oct 86	527.0	0.4	524.6	1.4
New business incorporations	Aug 86	184.0	-26.9	194.0	-13.2
Personal income*** (\$ mil.)	II 86	16394.0	4.0	16300.0	5.0
2. AGRICULTURAL RECEIPTS					
Livestock and products (\$ mil.)	Aug 86	45.9	5.6	42.6	-1.8
Crops (\$ mil.)	Aug 86	31.2	-17.6	33.7	-14.4
Total (\$ mil.)	Aug 86	77.1	-5.2	76.3	-6.1
3. MINING					
Employment** (000)	Oct 86	14.8	-26.7	14.7	-20.8
Average hourly earnings (\$)	Oct 86	11.74	-1.7	12.58	5.1
Petroleum production (000 bbls.)	Oct 86	6249.4	-3.9	5905.6	-2.3
Natural gas production (bil. cu. ft.)	Oct 86	53.2	-15.4	47.4	-20.9
Coal production (000 short tons)	Oct 86	2267.0	28.0	1710.0	-15.3
Oil well completions&	Oct 86	37.0	-58.8	38.0	-22.0
Gas well completions&	Oct 86	18.0	-83.9	7.0	-36.2
Total footage drilled&& (000)	Oct 86	377.5	-66.8	309.5	-24.6
Oil sales (\$ mil.)	Aug 86	69.5	-55.8	68.4	-28.9
Gas sales (\$ mil.)	Aug 86	74.8	-58.2	81.4	-34.9
4. CONSTRUCTION					
Employment** (000)	Oct 86	37.1	-1.3	38.1	-1.1
Average hourly earnings (\$)	Oct 86	10.56	-1.1	10.80	1.9
Residential units permitted	Oct 86	905.0	12.9	793.0	3.0
Residential building permits (\$ mil.)	Oct 86	52.5	22.4	48.6	12.0
Nonresidential building permits (\$ mil.)	Oct 86	22.8	-35.7	30.9	-26.3
Residential construction contracts (\$ mil.)	Oct 86	62.6	3.0	67.4	-5.9
Nonresidential construction contracts (\$ mil.)	Oct 86	57.3	-35.7	65.8	-16.5
Nonbuilding construction contracts (\$ mil.)	Oct 86	41.3	-23.3	43.7	0.5
5. TRANSPORTATION/COMMUNICATION/UTILITIES					
Employment** (000)	Oct 86	28.5	-4.9	28.0	-4.9
Average hourly earnings## (\$)	Oct 86	11.09	-1.0	13.14	5.5
6. MANUFACTURING					
Employment** (000)	Oct 86	38.5	1.4	38.3	0.6
Average hourly earnings (\$)	Oct 86	8.54	2.1	8.75	3.6
Electric & electronic equipment employment** (000)	Oct 86	6.9	6.2	6.8	-0.7
Transportation equipment employment** (000)	Oct 86	4.1	-2.3	4.0	5.2
Food & kindred products employment** (000)	Oct 86	5.4	12.6	5.3	4.8
Textile & apparel employment** (000)	Oct 86	2.4	0.0	2.4	0.0
Lumber & wood products employment** (000)	Oct 86	2.7	3.9	2.8	4.0

NEW MEXICO ECONOMIC INDICATORS (continued)

	MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE 12 MONTH AVERAGES
7. TRADE					
Wholesale employment** (000)	Oct 86	22.8	-2.1	22.6	0.0
Retail employment** (000)	Oct 86	106.7	3.7	107.1	6.2
Average hourly earnings (\$)	Oct 86	6.79	4.7	6.89	1.5
8. FINANCE/INSURANCE/REAL ESTATE					
Employment** (000)	Oct 86	26.4	4.0	26.4	2.4
Bank average hourly earnings (\$)	Oct 86	5.88	8.3	5.76	3.7
Bank total assets (\$ mil.)	I 86	9401.8	5.3	9375.7	6.2
Bank total deposits (\$ mil.)	I 86	8128.4	4.5	8091.9	6.9
Bank gross loans (\$ mil.)	I 86	5565.8	3.7	5552.1	7.2
S & L total assets (\$ mil.)	Oct 86	5528.9	14.7	5499.6	15.1
S & L total deposits (\$ mil.)	Oct 86	4429.0	10.0	4378.5	13.3
S & L new mortgage loans closed ~~***~~ (\$ mil.)	Oct 86	177.9	49.8	164.8	13.1
9. SERVICES AND TOURISM					
Total service employment** (000)	Oct 86	116.0	2.0	116.5	4.0
Lodging employment** (000)	Oct 86	12.5	6.9	12.8	11.0
Eating & drinking places employment** (000)	Oct 86	37.2	4.3	38.0	4.9
Visits to state parks (000)	Aug 86	974.1	21.7	1112.2	20.8
Visits to national parks/monuments (000)	Sep 86	138.1	0.0	294.7	14.0
Passenger traffic at Albuquerque airport ~~®~~ (000)	Oct 86	370.2	6.0	323.1	7.8
Lodgers tax receipts (\$ 000)	III 86	2262.0	9.1	1713.5	N
Lodging occupancy rates (%)	Oct 86	62.6	-16.3	63.8	-11.5
10. GOVERNMENT					
Total government employment** (000)	Oct 86	136.2	1.5	132.9	1.6
Federal employment** (000)	Oct 86	29.3	0.7	29.4	-1.6
State employment** ~~®®~~ (000)	Oct 86	48.8	0.7	46.9	3.1
Local employment** (000)	Oct 86	58.1	2.7	56.6	2.2
Total general fund revenues ~~®®®~~ (\$ mil.)	Sep 86	116.8	28.3	127.4	9.6

Note: selected data items subject to revision.

N Not available.

* Number of persons by place of residence.

** Number of jobs by place of work.

*** Quarterly data seasonally adjusted at annual rates.

& These include wells that are in the following categories: new drillings, deepened, plugged back, reentry and additional zone.

Oil and gas combined.

*** New mortgage loans closed equals the previously carried item "Total loans closed" plus a relatively insignificant additional loan category.

For example, in the report that contained June 1985 figures this would be the percent change in the average of July 1983 to June 1984 data versus the average of July 1984 to June 1985 data.

Communications and utilities only.

® Passenger traffic includes enplanements and deplanements.

®® This figure includes full and part time employment at Los Alamos National Laboratories (LANL). Full time employment alone at LANL is 7,955 as of AUGUST 1986 according to U. S. Dept. of Energy, Public Affairs.

®®® Includes recurring and non-recurring revenues.

Sources: New Mexico Employment Security Dept.: Sections 1, 3, 4, 5, 6, 7, 8, 9, 10;

Dun and Bradstreet, Inc.: Section 1;

U. S. Dept. of Commerce, Bureau of Economic Analysis: Section 1;

USDA Statistical Reporting Service: Section 2;

New Mexico Energy and Minerals Dept., Oil and Gas Conservation Division: Section 3;

New Mexico Taxation and Revenue Dept., Oil and Gas Accounting Division: Section 3;

U. S. Dept. of Energy, Energy Information Administration: Section 3;

U. S. Dept. of Commerce, Bureau of the Census: Section 4;

F. W. Dodge Company (a division of McGraw Hill, Inc.): Section 4;

U. S. Federal Reserve: Section 8;

Federal Home Loan Bank of Dallas: Section 8;

New Mexico Natural Resources Dept., Parks and Recreation Division: Section 9;

U. S. National Park Service: Section 9;

City of Albuquerque, Albuquerque International Airport: Section 9;

New Mexico Dept. of Finance and Administration, Local Government Division: Section 9;

Parnell, Kerr and Forster: Section 9;

New Mexico Dept. of Finance and Administration: Section 10.

CITIES, COUNTIES AND FEATURES

GROSS RECEIPTS[#] FROM RETAIL TRADE
TOP 20 CITIES
(\$000)

	CURRENT 1 MONTH AVERAGE* AUG-OCT	% CHANGE AVERAGE YEAR AGO	PREVIOUS 3 MONTH AVERAGE* MAY-JUL
Alamogordo	\$ 13,324	-4.0	\$ 13,521
Albuquerque	223,401	-1.6	216,451
Artesia	4,902	-17.4	4,666
Carlsbad	12,000	-7.9	12,940
Clovis	16,109	7.5	16,671
Deming	4,635	3.4	4,660
Espanola	7,419	1.7	7,213
Farmington	25,270	-13.2	27,586
Gallup	21,967	6.1	20,874
Hobbs	15,022	-29.5	16,257
Las Cruces	32,460	1.0	31,535
Las Vegas	5,657	-4.9	5,811
Los Alamos	6,107	-1.9	6,282
Lovington	1,238	-28.4	1,500
Portales	6,504	3.8	6,026
Roswell	18,824	3.4	18,399
Ruidoso *	6,728	-3.5	5,551
Santa Fe	49,090	2.9	43,343
Silver City	6,666	-16.0	6,818
Taos	7,777	-1.0	6,402
State total	608,305	-4.2	620,368

Gross receipts reported are for gross receipts tax purposes, which do not include all the receipts of all firms.

* Averages are used to smooth out fluctuations in the data, which are not caused by changes in economic conditions.

Source: New Mexico Taxation and Revenue Department.

NEW MEXICO CONSTRUCTION
SELECTED CITIES

	NUMBER OF BUILDING UNITS OR PERMITS *				VALUE OF BUILDING PERMITS (\$000)			
	OCT. 1986	OCT. 1985	CUMULATIVE TOTAL THROUGH OCT. 1986	OCT. 1985	OCT. 1986	OCT. 1985	CUMULATIVE TOTAL THROUGH OCT. 1986	OCT. 1985
RESIDENTIAL**								
Alamogordo	19	19	265	213	\$ 799	\$ 869	\$ 11,878	\$ 9,606
Albuquerque	342	223	4,902	4,255	17,690	12,151	213,094	176,288
Carlsbad	6	8	76	66	217	320	3,865	3,213
Clovis	12	28	142	130	782	959	8,006	6,982
Farmington	9	13	83	118	466	460	3,492	4,252
Hobbs	2	1	30	34	95	90	1,478	2,291
Las Cruces	61	33	468	537	2,688	1,673	23,863	23,687
Los Alamos	9	21	62	105	969	1,035	8,001	9,037
Rio Rancho***	80	140	1,098	1,205	4,619	7,528	55,840	67,653
Roswell	2	7	93	96	143	394	3,786	5,230
Ruidoso	9	9	135	120	818	602	7,483	9,093
Santa Fe	60	110	558	545	4,081	4,241	25,778	25,374
NONRESIDENTIAL†								
Alamogordo	5	40	87	134	1	175	2,151	2,169
Albuquerque	3	21	41	294	3,664	11,339	58,095	116,031
Carlsbad	16	18	98	222	736	43	1,993	2,773
Clovis	11	7	43	66	252	101	3,438	4,987
Farmington	2	8	21	34	431	1,231	3,626	2,992
Hobbs	0	1	12	10	0	25	1,682	1,775
Las Cruces	12	14	176	199	2,014	243	15,553	17,254
Los Alamos	8	7	75	50	306	128	4,235	399
Rio Rancho***	1	4	29	30	287	1,581	11,387	9,410
Roswell	7	13	96	186	66	19	1,663	1,417
Ruidoso	0	7	12	70	0	295	1,428	6,308
Santa Fe	4	16	72	140	698	4,496	11,727	24,106

Note: Top twelve cities chosen on basis of residential construction activity during the period 1982 through 1984.
† 1985 data is revised.

* Residential data shows the number of permitted units, while nonresidential data shows the number of permits.

** Residential data includes both single and multi family units.

*** AMREP Southwest, Inc. reported Rio Rancho data.

Sources: AMREP Southwest, Inc.; Rio Rancho only;
U. S. Department of Commerce, Bureau of the Census: all others.

CITIES, COUNTIES AND FEATURES (continued)

ESTIMATED CIVILIAN LABOR FORCE AND EMPLOYMENT
[000]

	NEW MEXICO			ALBUQUERQUE MSA*			LAS CRUCES MSA**			SANTA FE MSA***		
	% CHANGE			% CHANGE			% CHANGE			% CHANGE		
	OCT. p	YEAR AGO	SEPT. r	OCT. p	YEAR AGO	SEPT. r	OCT. p	YEAR AGO	SEPT. r	OCT. p	YEAR AGO	SEPT. r
TOTAL CIVILIAN LABOR FORCE	682.4	4.0	676.7	259.8	6.0	255.0	57.4	10.6	56.0	62.7	4.5	62.9
Employment@	622.1	3.6	615.9	242.7	6.0	238.5	51.5	12.4	51.8	59.4	4.4	59.6
Unemployment	60.1	7.9	60.8	17.1	5.6	16.5	5.9	-9.3	4.2	3.3	6.5	3.2
Unemployment rate (%)	8.8	3.6	9.0	6.6	0.0	6.5	6.8	-18.0	7.6	5.3	2.0	5.1
NONAGRICULTURAL WAGE & SALARY EMPLOYMENT	527.0	0.4	524.6	227.5	2.0	226.1	40.5	8.9	39.5	51.1	0.2	51.2
Mining	14.8	-26.7	14.7	0.3	0.0	0.3	0.0	N	0.0	0.1	-49.9	0.1
Contract construction	37.1	-1.3	38.1	18.2	-3.1	18.3	2.8	12.0	2.9	3.6	0.0	3.6
Manufacturing	38.5	1.4	38.3	19.5	-0.5	19.6	3.6	2.9	3.5	1.6	-5.8	1.6
Durable goods	24.4	0.5	24.3	13.8	1.5	13.9	3.3	8.4	7.4	3.0	0.0	3.0
Nondurable goods	14.1	3.0	14.0	5.7	-4.9	5.7	2.3	0.0	2.1	0.6	-14.2	0.6
Transportation & public utilities	28.5	-8.9	28.0	12.1	0.9	12.2	1.5	0.0	1.5	1.1	0.0	1.1
Trade	129.5	2.7	129.7	58.3	1.8	58.3	8.3	6.5	8.2	10.1	2.1	10.2
Wholesale	22.8	-2.1	22.6	14.1	-1.3	14.0	0.8	-11.1	0.8	0.7	0.0	0.7
Retail	106.7	3.7	107.1	44.2	2.8	44.3	7.5	8.7	7.4	9.4	2.2	9.5
Finance, insurance, & real estate	26.4	8.0	26.4	13.8	2.3	13.8	1.7	6.3	1.7	2.1	5.0	2.1
Services	116.0	2.0	116.5	59.0	2.8	58.7	5.8	5.5	59.6	12.8	4.1	13.2
Government	136.2	1.5	132.9	46.1	6.6	44.9	16.9	7.7	16.2	19.8	-2.4	19.4
Federal	29.3	0.7	29.4	12.8	4.1	12.9	4.7	0.0	4.7	3.5	0.0	3.5
State	48.8	0.7	46.9	13.9	6.6	13.1	7.3	21.7	6.7	14.9	-1.3	14.7
Local	58.1	2.7	56.6	19.4	4.9	18.9	4.9	-1.9	4.8	3.4	-8.3	3.2

N Not available, less than 50 jobs.

p Preliminary.

r Revised.

* Bernalillo County.

** Dona Ana County.

*** Santa Fe and Los Alamos Counties.

@ Includes labor disputes.

Source: New Mexico Employment Security Department.

AVERAGE ANNUAL PAY*
SOUTHWEST AND ROCKY MOUNTAIN REGION

	1984	1985p	% CHANGE 1984-1985	NATIONAL RANK# 1985
SOUTHWEST				
Arizona	\$17,349	\$18,037	4.0	23
New Mexico	16,426	16,989	3.4	11
Oklahoma	17,612	18,196	3.3	20
Texas	18,860	19,616	4.0	9
ROCKY MOUNTAIN				
Colorado	\$18,797	\$19,569	4.1	10
Idaho	15,793	16,353	3.5	38
Montana	15,560	15,932	2.4	43
Utah	17,174	17,577	2.3	28
Wyoming	18,318	18,950	3.4	13
U. S. AVERAGE	\$18,353	\$19,186	4.5	N

AVERAGE ANNUAL PAY*
SELECTED WESTERN MSAs##

	1984	1985p	% CHANGE 1984-85	RANK# BY 1985 AVERAGE ANNUAL PAY	RANK# BY % CHANGE 1984-85
Albuquerque	\$17,227	\$17,980	4.4	130	125
Amarillo	16,966	17,467	3.0	149	224
Austin	17,626	18,542	5.2	105	62
Colorado Springs	16,615	17,517	5.4	161	95
El Paso	14,761	15,474	4.8	262	86
Las Cruces	15,196	15,537	2.2	260	267
Salt Lake City-Ogden	17,632	17,999	2.1	128	272
Santa Fe	15,744	16,370	4.0	226	160
Tucson	16,940	17,351	2.4	121	262

N Not applicable.

p Preliminary.

* Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs.

** Percent changes were computed from unrounded average annual pay data and may differ from those computed using data rounded to the nearest dollar.

These are rankings out of fifty states. In other words, the District of Columbia is excluded.

Includes data for Metropolitan Statistical Areas as of June 30, 1985.

@ Based on 305 areas.

Source: U. S. Dept. of Labor, Bureau of Labor Statistics.

1986 Economic Review

(Continued from Page 1)

Over the last three years Albuquerque has enjoyed a prosperous economy with nonagricultural employment growth of 4.7, 6.9 and 5.4 percent, respectively in 1983, 1984 and 1985. However, Albuquerque employment growth is expected to average only 2.4 percent for all of 1986. The city's economy, too, continued to weaken as the year progressed with nonagricultural employment growing at only a 1.2 percent annual rate in September, 1986. This reduced pace of growth has shown up quickly in the unexpected slowdown in the City of Albuquerque's gross receipts tax collections.

For the last eighteen months growth within Albuquerque has been unbalanced, concentrated in retail trade, services and construction. Other sectors important to sustainable, long term growth—manufacturing and government—have experienced very modest growth by comparison. The city's construction sector is now in a slight decline, as mentioned above, and slower growth is evident in what had until now been rapidly expanding trade and services sectors.

The outlook for the New Mexico economy is not a rosy one—an economy primarily based upon the extractive industries and federal government spending. Since 1981 New Mexico has lost one-half of the employment in its mining sector—16,000 jobs—and it is unlikely that the extractive industries will see any recovery in the balance of this decade.

Federal military spending, particularly for SDI at Sandia Labs and Los Alamos, has been a recent prop to state and city economic growth. However, the recently approved federal budget for FY 87 calls for a slight decline in real federal spending—the emergence of a trend necessary to achieve federal budget deficit reduction targets. Thus, it is unlikely that federal

expenditures will be a source of future growth for the New Mexico economy.

New Mexico's small manufacturing sector is expected to remain stagnant in 1987, following closely manufacturing trends at the national level where an industrial recovery is still not in sight due to the strong inroads of foreign producers. Albuquerque's semiconductor industry will likely see little gains in employment in 1987 because of the weak prospects for business spending for computers and electrical equipment. Current low capacity utilization and the negative effects of tax reform are expected to restrain business investment expenditures in 1987.

New Mexico nonagricultural employment is expected to decline slightly in 1987, falling 0.3 percent. The worst seems to be over for the state's oil and gas industry, but the state's economy will continue to adjust to the loss of 4,300 oil and gas jobs, with the negative, indirect effects felt principally in the trade and services sectors. The New Mexico unemployment rate, which is expected to average 9.3 percent in 1986, is projected to rise to 10.1 percent in 1987.

Albuquerque's economy will do somewhat better in 1987, but not by much. Compared to the recent pace of growth, the city's economy in 1987 will be downright sluggish. Albuquerque nonagricultural employment is expected to increase only 0.8 percent in 1987, with projected small employment losses in manufacturing and government and very modest gains in trade and services. Albuquerque, as a regional trade and service center for the state, will feel some of the indirect effects of the oil and gas layoffs. But the slower growth for the city is principally traced to the end of the construction boom, diminished prospects for federal spending and the unsustainable nature of the recent pattern of growth.

Brian McDonald, Director

Bureau of Business and Economic Research

Institute for Applied Research Services
The University of New Mexico
Albuquerque, NM 87131
(505) 277-2216

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The New Mexico Economy 1986

NATIONAL REVIEW

Caught in a quagmire of conflicting policy choices, the U.S. economy trudged through 1986 with a 2.5 percent advance in real GNP, akin to 1985's 2.7 percent rate of growth. Plunging oil prices were at best a mixed blessing for the national economy, as some industries and regions prospered while others suffered. Out of this scenario came large job losses in the oil and gas industry, particularly in the Southwest, and plummeting capital spending, mainly caused by depressed exploration activity. The nation's economic engine, meanwhile, is dragging due to the trade and federal budget deficits. In spite of these negative forces, the international economy provided the U.S. with enough adrenalin to counter expansive fiscal policy and predictable political inaction on the budget. Besides stimulus in the form of lower energy costs for industry and consumers, the nation also benefitted from a world commodity glut and historically low real prices for many commodities, partly because of increased competition, the threat of substitutes, and resulting surplus stocks.

Stiffer competition from newly industrializing countries has given the American consumer more choice and bargains, especially when the dollar was high-flying. Consumers fueled the nation's economy in 1986, as they gained from rises in real personal income, low interest rates, and declining energy costs. This spending sparked growth in services and trade in particular, but did little to assist manufacturing. Single-family home construction as well profited from low mortgage rates. But a flood of imports damaged some American industries as consumer demand and dollars were exported to overseas producers. In the old days consumer demand would result in increased domestic production, creating more jobs and income that turned over in the economy. Companies responded to the new competitive turmoil by reorganizing, belt tightening, and chopping labor costs, an important comparative advantage for new industrial nations. Another loser is government which forfeits substantial tax revenues because demand and dollars are shipped abroad. In short, there is a struggle between American consumer and producer interests, until labor realigns and shifts to more globally competitive U.S. industries. In order for labor, in a broad perspective, to make the change, it must retrain and educate itself for a knowledge-oriented economy, whether it is in venerable manufacturing, skilled services, or high-tech.

1986 was also the year Congress passed Tax Reform. Consumers, facing record debt and a low savings rate, probably

overspent at the end of 1986 at the expense of 1987 spending in order to receive the full consumer interest deduction. They will finally have to restrain purchases in 1987.

Monetary policy has kept the money supply growth in the designated target ranges for the broad monetary aggregates, and the Federal Reserve, in a series of cuts, reduced the discount rate further during 1986. These low interest rates allowed significant debt refinancing and caused a boom in single-family home construction. International coordination of exchange rates brought the dollar down this year as the Group of Five agreed to Treasury Secretary Baker's initiative to lower the greenback. Foreign investors, attracted by rather high real U.S. interest rates, also are financing a significant portion of this nation's huge debt, thus avoiding nasty credit clashes. Investors' confidence in the economy, reaping returns based on a classic high-return scenario due to low inflation, shrinking industrial input costs, and restructuring—along with widespread merger mania and takeover speculation—rocketed the Dow Jones up over 400 points to dizzying levels of 1955 in 1986. It is easy to understand investor euphoria based on decent returns, lean and mean companies, a fairly secure place to invest, and a large spendthrift U.S. market to exploit.

National economic growth has been lopsided, as prosperity prevails in the Northeast and in California, where high-tech, defense bucks and sophisticated services lead diversified re-

PER CAPITA INCOME¹
SOUTHWEST AND ROCKY MOUNTAIN REGIONS

	1984	1985	% Change	National Rank 1985
SOUTHWEST	\$12,421	\$13,070	5.2	NA
Arizona	12,020	12,795	6.4	28
NEW MEXICO	10,404	10,914	4.9	43
Oklahoma	11,827	12,232	3.4	33
Texas	12,798	13,483	5.4	21
ROCKY MOUNTAIN	\$12,206	\$12,762	4.6	NA
Colorado	14,147	14,812	4.7	9
Idaho	10,530	11,120	5.6	41
Montana	10,838	10,974	1.3	42
Utah	10,024	10,493	4.7	47
Wyoming	12,506	13,223	5.7	26
U.S. AVERAGE	\$13,114	\$13,867	5.7	NA

NA Not applicable.

¹ By place of residence.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

PER CAPITA INCOME¹
SELECTED WESTERN MSAs

	Dollars			% of U.S. MSA Averages		% Change 1983-1984
	1979	1983	1984	1979	1984	
ALBUQUERQUE	\$ 8,143	\$11,300	\$12,305	88.9	90.5	8.9
Amarillo	8,987	11,839	12,666	98.1	93.1	7.0
Denver	10,180	14,525	15,783	111.1	116.0	8.7
El Paso	6,051	8,043	8,745	66.0	64.3	8.7
LAS CRUCES	5,813	8,091	8,176	63.4	60.1	1.1
Phoenix	8,762	11,926	13,199	95.6	97.0	10.7
Salt Lake City	7,699	9,922	10,689	84.0	78.6	7.7
SANTA FE	8,418	12,205	13,244	91.9	97.4	8.5
Tucson	7,716	10,596	11,626	84.2	85.5	9.7
U.S. MSA Average	\$9,164	\$12,469	\$13,603	100.0	100.0	9.1

¹ By place of residence.

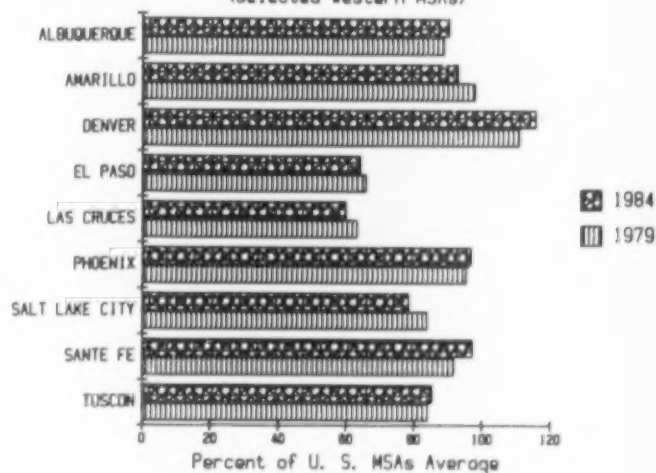
Source: U.S. Department of Commerce, Bureau of Economic Analysis.

gional economies. In contrast, the nation's interior suffers from dying extractive industries and contracting farming, yet healthy zones exist in some large metropolitan areas. The Rocky Mountain and Southwestern states were rocked by plunging oil prices and sinking mining fortunes, particularly in employment terms.

Not since the 1960's has the New Mexico economy been stunned by adverse national economic conditions. Within the state, Albuquerque, Santa Fe and Las Cruces represent the service and technology driven economy, while the rest of the state displays the ills of a resource-based economy, mirroring the nation's regional disparities. These powerful global forces affecting the U.S. economy have rushed into New Mexico, causing descending rates of economic growth throughout 1986.

NEW MEXICO REVIEW

New Mexico's 1.4 percent nonagricultural employment growth rate in 1986 was about half that of the nation's 2.6 percent rate and Albuquerque's 2.9 percent rate of job creation. Total nonagricultural employment in 1986 for New Mexico was 527,900 of which Albuquerque's share was 226,700 jobs, 43 percent of all jobs in the state. Excluding Albuquerque, virtually no job gains occurred in the rest of New Mexico during 1986. The state's trade, services, and finance/insurance/real estate (FIRE) sectors experienced modest job growth of between 3.5 to 4.0 percent during the year, but the mining sector lost 22.4 percent of its jobs and construction jobs contracted 5.9 percent in 1986. Minor job growth occurred in manufacturing and government, while the transportation/communication/utilities (TCU) sector had a small loss of jobs. Albuquerque nonagricultural employment experienced a major slowdown in growth, from 3.7 percent in the first quarter of 1986 to 1.7 percent in the fourth quarter, compared to a year ago. This weaker pace of job creation compares to 1985's 5.7 percent growth rate for the city. In the state's other MSA's Santa Fe's rate of job formation was 4.7 percent, while Las Cruces' growth rate was officially 9.8 percent. Measured employment

PER CAPITA INCOME
(Selected Western MSAs)

for Las Cruces was distorted by changes in the reporting of state government jobs, such that the BBER-estimated growth rate for Las Cruces was closer to 3.3 percent against a year earlier. Because of this distorted data overall state job growth was probably closer to 0.9 percent in 1986.

New Mexico's unemployment rate was a high 9.2 percent in 1986 with only a 6.5 percent jobless rate in Albuquerque. State personal income advanced 3.5 percent in 1986. Massive layoffs in the high paying oil and gas industries and an ebbing of Albuquerque's construction boom permeated throughout the economy, causing a slower growth rate of personal income. Albuquerque personal income, though, rose at a faster 5.8 percent rate of growth in 1986. As with employment growth, personal income gains slowed throughout the year.

Dismantling of New Mexico's mining sector stole the year's economic headlines which resulted from cascading oil prices, international competition, and weaker demand for certain raw materials. To stay competitive, mining companies modernized operations, slashed jobs, and chopped labor costs by pruning wages and benefits. The oil industry early in 1986 was jolted by a 50 percent tailspin in prices that hurt exploration activity and caused the closing of less competitive stripper wells. This turbulence sent shock waves through New Mexico's resource-dependent regions, resulting in severe job losses, depressed economic activity, and a state government revenue crunch. State government responded to its revenue gap by implementing one of the largest tax increases in New Mexico's history. Nonetheless, consumers enjoyed the benefits of lower oil costs, allowing them to inject money into the retail trade and services sectors.

Employment and production in the mining sector took a beating during 1986. Oil and gas jobs dropped from 13,500 in January to 9,200 by year's end. Metal mining jobs fell from 2,900 to 1,900 over the same period. In all 3,600 jobs were lost in oil and gas between 1985 and 1986 and 1,000 jobs were lost in metal mining (mostly molybdenum in Taos County). The number of oil well completions shrank from 1,011 to 691 from 1985 through 1986. Likewise, the number of gas well comple-

tions faded from 727 to 348 during the same period. Furthermore, steep drops are expected in 1987.

Construction activity in New Mexico and Albuquerque diminished, as this sector's employment in the state fell 5.9 percent in 1986. It should be remembered, though, that this decline followed the 1985 peak. As jobs dwindled in commercial and apartment construction, the exploding single-family housing market took up the slack, bolstered by the lowest mortgage rates in over a decade. Since half of the state's construction jobs are in Albuquerque, we will focus on the city's construction sector which weakened considerably in 1986, losing 700 jobs, compared to last year—a 4.0 percent slide. New single-family housing units swelled 24.7 percent but multi-family units continued to tumble from 1984's record, down 13.1 percent over a year ago. Contracts for nonresidential construction, moreover, dropped 29.4 percent, responding to excess capacity in offices, hotels, and hospitals. Non-building construction growth climbed 17.6 percent due to groundbreaking on the Rio Grande bridge and a high level of street and highway projects. Yet, total construction awards fell 10.9 percent during 1986 against a year ago in Albuquerque.

Manufacturing in New Mexico showed little job growth, increasing 0.5 percent in 1986. Except for an uptick in 1984, this is a tale consistent for the sector throughout the 1980's. Albuquerque manufacturing employment rose a mild 2.1 percent in 1986 compared to the year before. The TCU sector registered a 2.3 percent decline in jobs in New Mexico. Cut-backs and consolidations were designed to make operations more efficient and market oriented at the public utilities.

Employment gains in trade and services faded in 1986, as growth in personal income slowed. These lagging sectors felt the impact of the spillover effects of mining and construction job losses. Heavily concentrated in Albuquerque, growth in the area's retail employment dropped from over 7.0 percent early in the year to only 1.8 percent in the fourth quarter. Similarly, growth in New Mexico service jobs faltered to a 2.8 percent rate in the fourth quarter, compared to 6.5 percent growth from 1984 through early 1986. After sprouting 6.0 percent in 1985, employment growth in Albuquerque's trade sector slipped to a 1.1 percent rate in the fourth quarter and averaged 3.6 percent for the year. Another reason for slower growth in Albuquerque is the recently built malls in other parts of New Mexico that are competing with city retailers for the consumer dollar. Services employment in the city jumped 5.4 percent in 1986, but this did not compare with over 8.0 percent growth the previous two years.

A winding down of activity occurred in all sectors of the New Mexico economy throughout 1986. Government employment, anchored by the research laboratories, as usual stabilized the economies of New Mexico's metropolitan areas. In effect, by year's end the state's economy had quit growing.

NATIONAL OUTLOOK

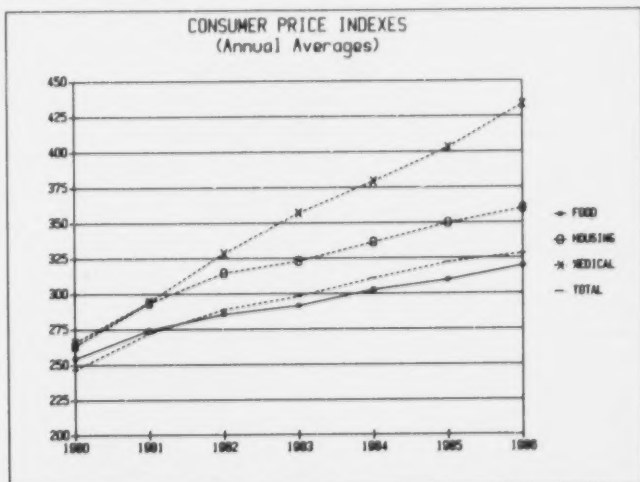
Nationally, the economy is expected to go through difficult times in 1987 and 1988, although not without some optimistic prospects. The two brightest spots on the economic horizon

will be lower interest rates and the shrinking dollar. The foreign trade sector will provide stimulus in the economy due to the shrinking dollar, making exports more competitive overseas and imports more expensive domestically. The interest rates, lowest in over ten years, are expected to shore up the tottering construction sector with continued building in single-family housing. The current forecast for mortgage interest rates are at levels below the 10.0 percent mark for the next two years and the prime rate will stay below 8.0 percent for the same period. The combined effects of low interest rates and the shrinking dollar should affect the manufacturing environment favorably at the national level, with a possible employment turnaround in the works despite continuing corporate streamlining. In the financial markets, the concern for a major market correction is increasing, although a continuation of the bull market is expected. Finally, good news for the consumer, inflation will continue to be a minor element in the economy next year; pressure on the Federal Reserve to improve the sluggish economy and anxiety over the shrinking dollar will increase the CPI next year to slightly higher than 3.0 percent.

On the down side, consumer spending is expected to be weaker through the next two years, with pressures from lower savings rates, higher debt ratios and falling consumer confidence stifling possible growth. The U.S. construction industry will continue to suffer from the effects of tax reform and the overbuilding of multi-family housing and non-residential building that occurred in 1985 and 1986. Little help from government spending can be expected, with federal expenditures expected to decline in real terms during the next two years in accordance with budgetary cuts proposed by Congress and the President.

NEW MEXICO OUTLOOK

At the state level, the New Mexico economy will continue to reflect the lingering effects of massive job losses in oil and gas employment and the loss of state government revenues from the depressed mining sector. The ripple effects of these losses are expected to continue across most sectors through this year. New Mexico nonagricultural employment is projected to re-



SELECTED U.S. PRICE AND COST INDEXES
1976 AND 1980-1986
ANNUAL AVERAGES

	1976	1980	1981	1982	1983	1984	1985	1986P	% Change 1985-1986
PRODUCER PRICE INDEX, ALL COMMODITIES (1967=100)	183.0	268.8	293.4	299.3	303.1	310.3	308.7	299.8	-2.9
Farm Products	191.0	249.4	254.9	242.4	248.2	255.8	230.5	224.7	-2.5
Food & Feeds, Processed	178.0	241.2	248.7	251.5	255.9	265.0	260.4	265.1	1.8
Fuels & Related Products & Power	265.6	574.0	694.5	693.2	664.7	656.8	633.6	483.6	-23.7
CONSUMER PRICE INDEX ¹ ALL ITEMS (1967=100)	170.5	246.8	272.4	289.1	298.4	311.1	322.2	328.4	1.9
Food	180.8	254.6	274.6	285.7	291.7	302.9	309.8	319.7	3.2
Housing	174.6	263.3	293.5	314.7	323.1	336.5	349.9	360.2	2.9
Medical Care	184.7	265.9	294.5	328.7	357.3	379.5	403.1	433.5	7.5
CONSTRUCTION COST INDEX ² (1982=100)	58.8	89.4	97.0	100.0	102.7	106.3	109.4	112.1	2.5

p Preliminary.

1 All urban consumers.

2 U.S. Department of Commerce composite.

Source: U.S. Department of Commerce, *Business Statistics*, and *Survey of Current Business*, various issues.

main unchanged at current levels for 1987 and increase only slightly in 1988. Personal income in New Mexico is expected to stay in the 3.0 to 4.0 percent range for the same time period, which is the lowest income growth since the early 1960's. Unemployment in New Mexico is forecast to increase over the next two years, but remain under the 11.0 percent level.

In 1987 and 1988 the Albuquerque MSA will retain its leadership role in the New Mexico economy. Albuquerque, being insulated from most of the devastating effects of the crushed extractive industries, will maintain its dominant position in the economy for the next several years. Lower unemployment rates (below 7.0 percent) and slightly higher nonagricultural growth (but less than 1.0 percent) reinforces the extended disparity between Albuquerque and the rest of New Mexico.

The budgetary federal spending cuts will start affecting the state over the next two years, as contracts expire and defense spending grinds down. New Mexico, partially insulated from the defense cuts previously, will start feeling the abbreviated budget across more than the large government sector, with job losses occurring in secondary support industries. Traditionally, the New Mexico defense sector was sheltered from the budgetary knife due to the research nature of this strong sector; in the future this will no longer be the case as the research centers scramble for projects and funds. Contemporary evidence of the cuts is appearing with 150 layoffs at Los Alamos National Laboratory and slight reductions at the Kirtland Air Force Base Helicopter Unit.

Manufacturing employment at the state level should start experiencing some growth in 1987 and 1988. Some of the positive effects occurring at the national level should filter down to New Mexico's small manufacturing sector. The possi-

bility of trade restriction agreements and the strong growth of the Japanese yen have definite positive implications for the long suffering micro-chip industry in Albuquerque.

The income-sensitive sectors, trade and services, will feel the negative effects of state-level tax measures on personal income. A repeal of the food and medical tax rebates and increases in state taxes (efforts by the New Mexico legislative branch to come to grips with the effects of a revenue shortfall) will continue to impact disposable income and adversely affect the trade and services sectors. Employment growth in these sectors is projected to stay at or below the 1.0 percent level for the next two years.

The construction industry in New Mexico will continue to reflect events at the national level in the next two years. Overall, construction will enter a period of slight negative growth for 1987 and 1988. Single-family housing and non-building construction will continue to brighten the construction sector, partially countering the gloom prevalent in multi-family housing and commercial construction. Non-building construction will receive major help from the \$120 million Albuquerque International Airport expansion.

In summary, the New Mexico economy is expected to underperform the national economy in 1987 and 1988. This trend, beginning in 1986, is traced to the state's larger reliance on the oil and gas industry and the end to Albuquerque's construction boom. In the future, continued weakness in the basic sectors—government and extraction—combined with the small manufacturing sector, will keep New Mexico's growth prospects comparatively dim.

Richard Zimmerman and John Beasley
Economists

CIVILIAN EMPLOYMENT

TOTAL CIVILIAN LABOR FORCE AND JOBS IN NEW MEXICO*
(Monthly Averages)

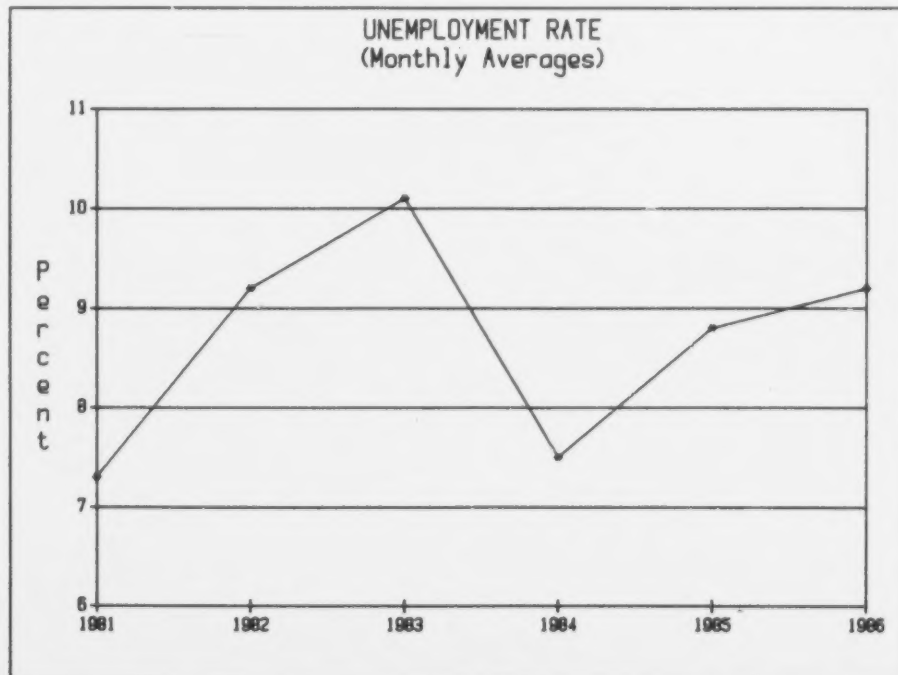
	1976	1981	1982	1983 ¹	1984 ¹	1985	1986 ^p	% Change 1985-1986
TOTAL CIVILIAN LABOR FORCE	476,000	579,000	596,000	609,000	629,000	642,000	672,000	4.7
Total Employment	432,000	537,000	541,000	547,000	582,000	585,000	610,000	4.3
Total Unemployment	44,000	42,000	55,000	62,000	47,000	57,000	62,000	8.8
Rate (Unadjusted)	9.2	7.3	9.2	10.1	7.5	8.8	9.2	4.5
NONAGRICULTURAL WAGE & SALARY ² EMPLOYMENT	390,000	475,500	473,600	479,500	502,800	520,700	527,900	1.4
Manufacturing	30,300	34,300	34,100	34,400	36,500	37,300	37,500	0.5
Mining	21,500	31,200	26,300	21,000	21,600	21,000	16,300	-22.4
Contract Construction	26,100	33,300	32,100	33,700	36,600	37,500	35,300	-5.9
Transportation & Public Utilities	23,400	29,200	29,900	29,500	30,000	30,000	29,300	-2.3
Wholesale & Retail Trade	90,400	106,000	108,300	110,700	117,500	122,600	126,900	3.5
Finance, Insurance & Real Estate	17,000	21,500	21,900	23,200	24,700	25,800	26,700	3.5
Services	73,300	94,100	95,500	99,700	106,300	113,200	117,700	4.0
Government	108,000	125,800	125,600	127,200	129,700	133,300	138,200	3.7

* Detail may not add up to total because of rounding.

p Preliminary.

¹ Labor force data for 1983 and 1984 are currently being revised by Employment Security Department. Revisions should be available by early April, 1987.² Nonagricultural wage and salary employment is not strictly comparable to total civilian employment since double job holders and in-commuting workers are excluded from total civilian employment but included in nonagricultural wage and salary employment.

Source: New Mexico Employment Security Department.



AVERAGE HOURLY EARNINGS BY SECTOR
NEW MEXICO
(In Current Dollars)

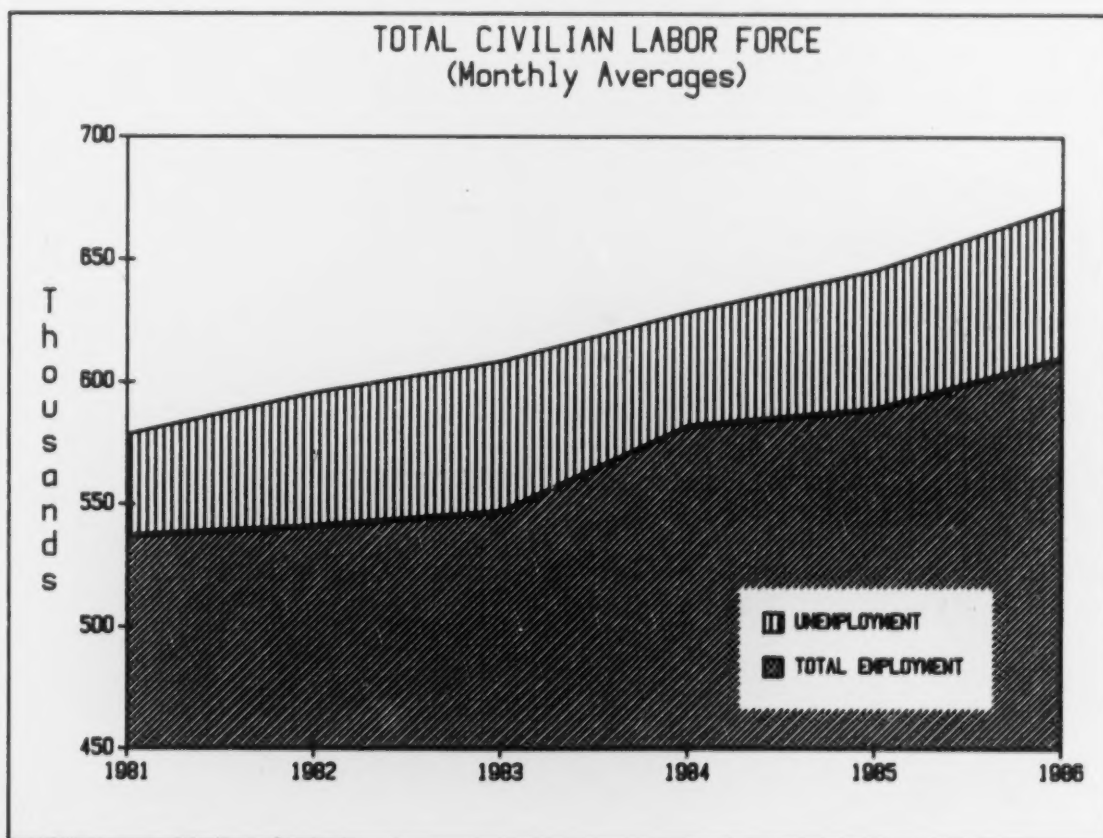
	<u>1976</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986^p</u>	% Change <u>1976-1986</u>	% Change <u>1985-1986</u>
Mining	\$6.22	\$ 9.90	\$11.15	\$11.21	\$11.50	\$11.90	\$12.57	102.1	5.6
Construction	7.57	10.08	10.60	10.52	10.46	10.63	10.90	44.0	2.5
Manufacturing	4.07	6.54	7.22	7.60	7.98	8.41	8.78	115.7	4.4
Durable Goods	4.33	6.90	7.79	7.77	8.18	8.57	8.85	104.4	3.3
Nondurable Goods	3.63	5.76	6.01	7.21	7.53	8.07	8.59	136.6	6.4
Communications & Utilities	5.85	8.64	9.31	9.94	10.50	11.08	12.03	105.6	8.6
Trade ¹	4.22	6.68	6.82	7.04	6.57	6.65	6.77	NA	1.8
Banking	3.21	4.64	4.97	5.21	5.38	5.54	5.77	79.8	4.2

NA Not applicable

p Preliminary.

1 Excludes eating and drinking establishments through 1983.

Source: New Mexico Employment Security Department.



AVERAGE HOURLY EARNINGS BY SECTOR
NEW MEXICO
(In Constant 1986 Dollars)

	1976	1981	1982	1983	1984	1985	1986 ^p	% Change 1976-1986	% Change 1985-1986
Mining	\$11.98	\$11.94	\$12.67	\$12.34	\$12.14	\$12.13	\$12.57	4.9	3.6
Construction	14.58	12.15	12.04	11.58	11.04	10.83	10.90	-25.2	0.6
Manufacturing	7.84	7.88	8.20	8.36	8.42	8.57	8.78	12.0	2.5
Durable Goods	8.34	8.32	8.85	8.55	8.63	8.73	8.85	6.1	1.4
Nondurable Goods	6.99	6.94	6.83	7.93	7.95	8.22	8.59	22.9	4.5
Communications & Utilities	11.27	10.42	10.58	10.94	11.08	11.29	12.03	6.7	6.6
Trade ¹	8.13	8.05	7.75	7.75	6.94	6.78	6.77	NA	-0.1
Banking	6.18	5.59	5.65	5.73	5.68	5.65	5.77	-6.6	2.1

NA Not applicable.

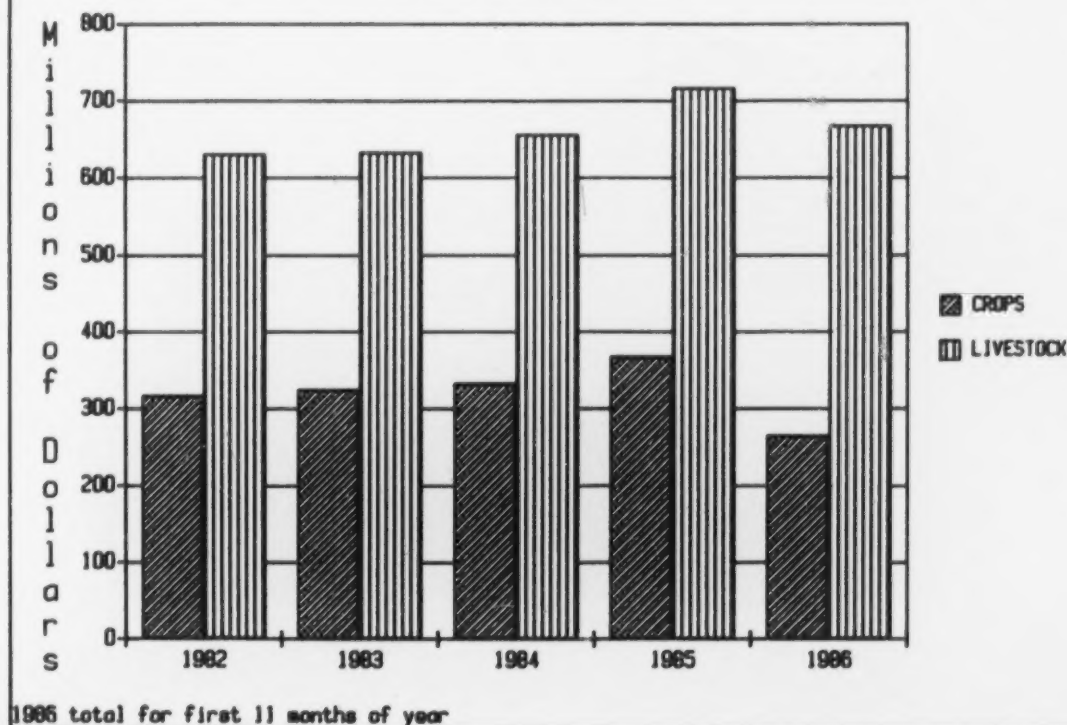
p Preliminary.

¹ Excludes eating and drinking establishments through 1983.

Source: New Mexico Employment Security Department and the U.S. Department of Labor, Bureau of Labor Statistics.

AGRICULTURE

CASH RECEIPTS FROM FARM MARKETINGS (Annual Totals)



LIVESTOCK PRICES AND CASH MARKETINGS OF FARM PRODUCTS IN NEW MEXICO

	1976	1982	1983	1984	1985	1986 ²	% Change 1985-1986
PRICES TO FARMERS (Annual Averages)							
All Beef Cattle (per cwt.) ¹	\$ 36.30	\$ 46.80	\$ 46.50	\$ 46.00	\$ 49.40	\$ 48.50	- 1.8
Calves (per cwt.) ¹	32.40	62.60	65.20	63.10	68.10	65.40	- 4.0
Sheep (per cwt.) ¹	12.10	18.20	15.00	21.10	28.00	31.50	12.5
Lambs (per cwt.) ¹	45.50	48.60	50.10	56.80	68.80	70.80	2.9
Wool (per lb.)	0.66	0.88	0.76	0.87	0.72	na	na
CASH MARKETINGS (Annual Totals) (\$000s)							
All Farm Products	\$698,756	\$949,667	\$960,791	\$990,983	\$1,086,180	\$934,886 ³	- 7.3 ⁴
Livestock	505,470	632,123	634,384	656,588	717,640	668,825 ³	- 1.4 ⁴
Crops	193,286	317,544	326,407	334,395	368,540	266,061 ³	-19.4 ⁴

na Not available.

1 cwt = hundred weight.

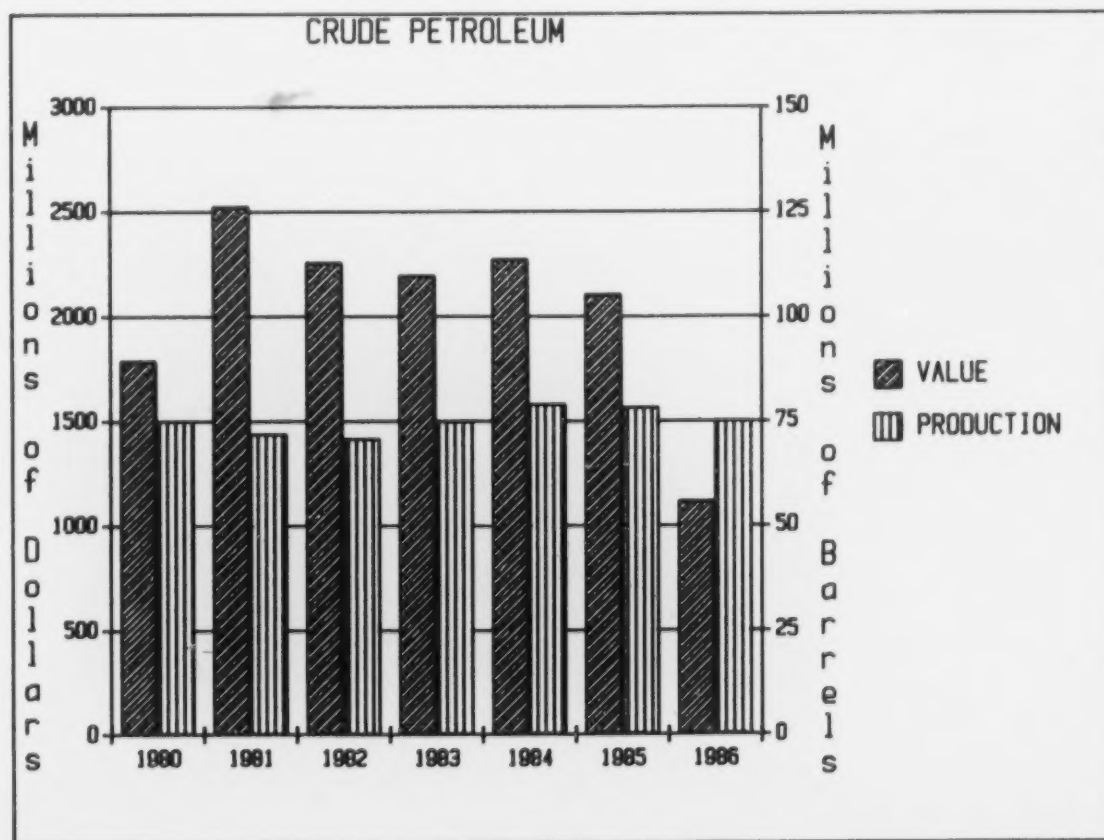
2 Subject to revision.

3 Total for the first 11 months of the year.

4 Percent change based on 11 months of 1986 compared to 11 months of 1985.

Source: U.S. Department of Agriculture, Economic Research Service and U.S. Department of Agriculture, New Mexico Agricultural Statistics Service.

MINING



SELECTED MINERAL PRODUCTION IN NEW MEXICO

	1976	1980	1981	1982	1983	1984	1985	1986 ^p	% Change 1985-1986
Petroleum (crude) (000 42-gal. bbls.)	92,130	75,324	72,155	71,024	75,169	79,336	78,530	75,280 ²	-4.1
Natural Gas (billion cubic ft.)	1,231	1,150	1,134	991	895	957	905	710 ²	-21.5
Copper (000 short tons)	172	165	170	66	w	w	w	w	na
Potash (000 short tons, K ₂ O equivalent)	2,083	2,060	1,765	1,650	1,409	1,563	1,235	1,059	-14.3
Natural Gas Liquids (000 42-gal. bbls)	42,144	45,414	45,544	42,853	42,735	50,604	38,574	34,100 ²	-11.6
Uranium (000 lbs., recov- erable content U ₃ O ₈)	13,000	16,400	13,200	7,600	5,900	3,000	1,300	na	na
Coal (000 short tons)	9,760	19,297	18,685	19,940	20,415	21,269	22,202	20,904	-5.8
Sands and Gravel (000 short tons)	7,702	7,050	7,300	5,616	7,000	8,363	8,400	7,600	-9.5
Perlite (000 short tons)	481	539	489	408	394	416	419	386	-7.9
Stone (000 short tons)	1,935	2,235	4,188	2,818	4,748	4,719	3,661	3,522	-3.8
Gold (000 troy ounces)	15	16	66	54	w	w	45	w	na
Silver (000 troy ounces)	892	1,274	1,632	805	w	w	w	w	na

na Not available.

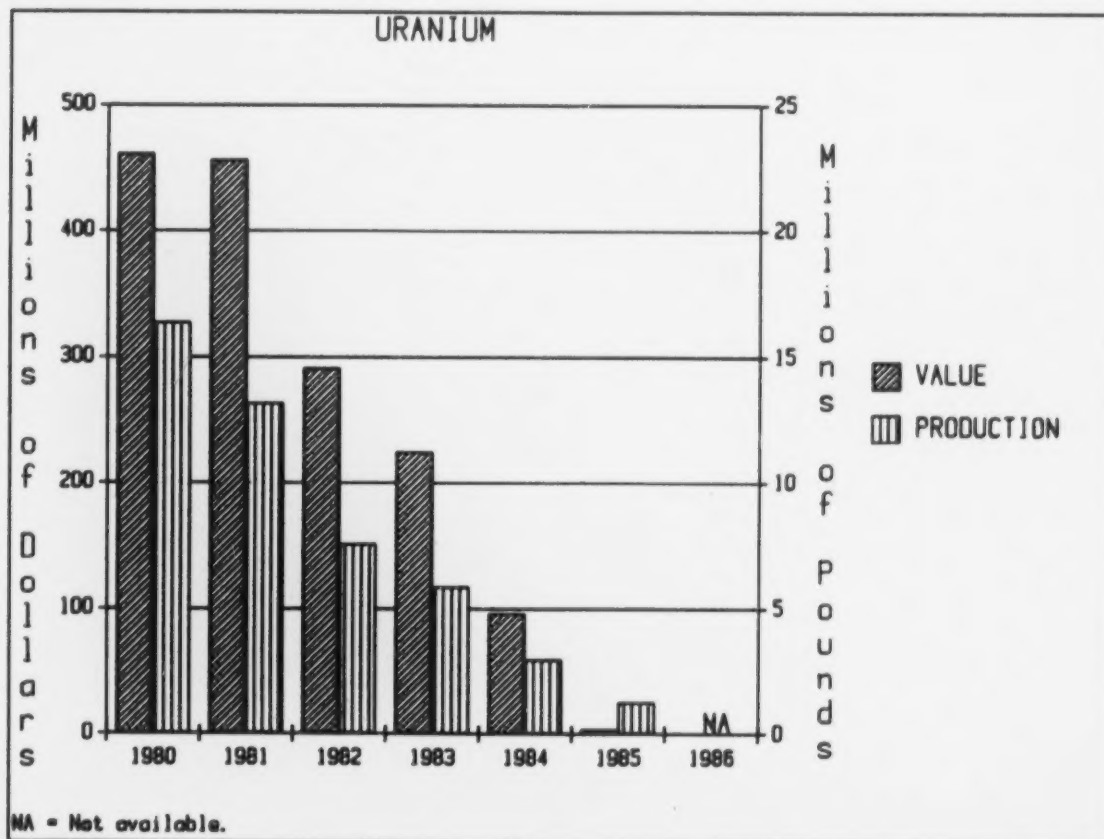
p Preliminary.

w Withheld to avoid disclosing confidential data of individual companies.

1 Marketed production, i.e., gross withdrawals less gas used for repressuring and quantities vented and flared.

2 Estimate based on available data.

Source: U.S. Department of the Interior, Bureau of Mines, annual reports; the U.S. Department of Energy, Energy Information Administration, selected publications; and the New Mexico Energy and Minerals Department.



VALUE OF MINERAL PRODUCTION IN NEW MEXICO
(\$000s)

	1976	1980	1981	1982	1983	1984	1985	1986 ^P	% Change 1985-1986
TOTAL	\$2,510,127	\$5,343,247 ¹	\$6,435,815 ¹	\$5,930,325 ¹	\$5,712,317 ¹	\$6,004,174 ¹	\$5,658,363 ¹	\$ na	na
Crude Petroleum	814,419	1,794,217	2,529,032	2,261,404	2,199,445	2,276,150	2,107,745	1,120,100	-46.9
Natural Gas ²	695,501	2,021,315	2,415,033	2,443,891	2,402,769	2,599,121	2,369,980	1,305,200	-44.9
Copper	239,925	337,328	289,204	97,384	w	w	w	w	na
Potash	165,354	289,011	261,200	204,600	174,700	204,100	156,000	124,600	-20.1
Natural Gas Liquids	231,946	na	na	na	na	na	na	na	na
Uranium	191,271	461,660	457,380	291,612	225,439	97,140	4,000	na	na
Coal	w	270,351	339,693	382,649	367,470	412,619	519,749	na	na
Sand & Gravel	16,671	17,676	18,000	17,670	20,000	22,389	22,800	20,600	-9.7
Perlite	8,403	14,404	14,983	13,355	13,297	14,115	14,521	14,209	-2.1
Stone	4,394	7,350	12,658	13,838	15,262	17,149	15,509	15,278	-1.5
Gold	1,905	9,670	30,221	21,572	w	w	14,309	w	na
Silver	3,880	27,400	17,170	6,397	w	w	w	w	na
Other	136,458	92,865	51,241	175,953	293,935	361,391	433,750	433,680	z

na Not available.

p Preliminary.

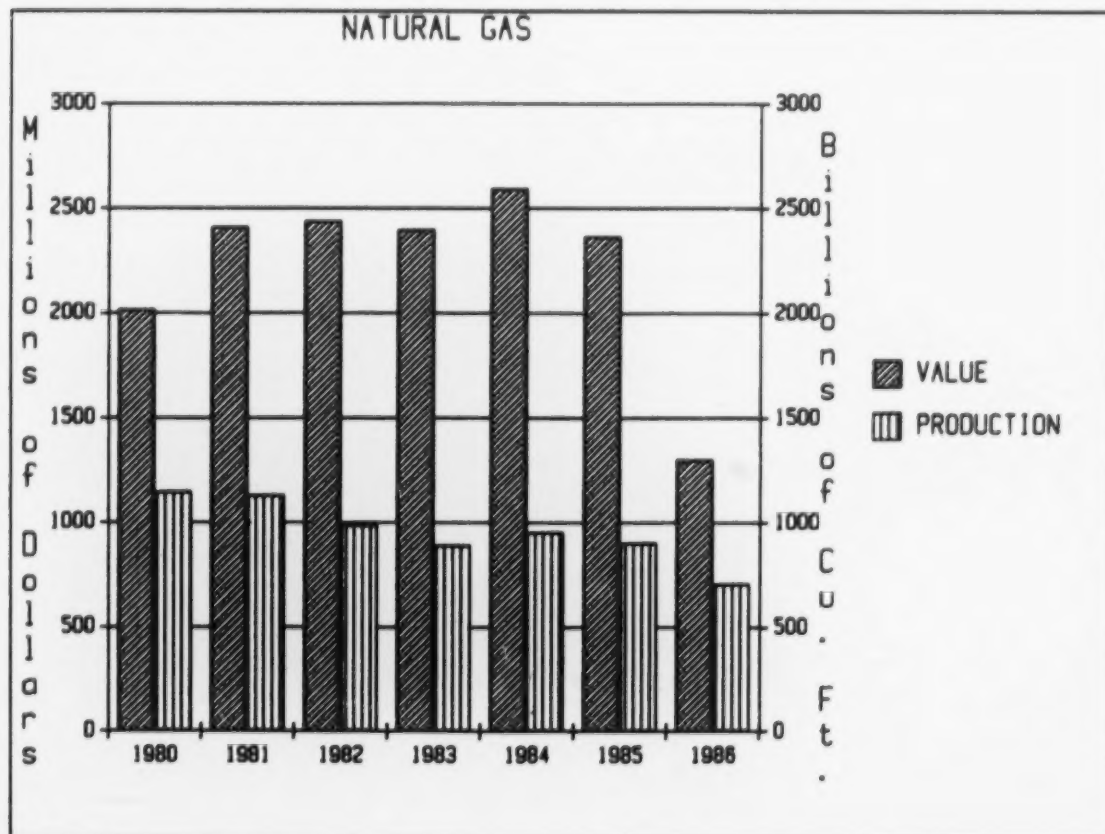
w Withheld to avoid disclosing individual company confidential data; included in "Other."

z Rounded to less than 0.1 percent.

1 Incomplete total, may not include the value of natural gas liquids.

2 Value of marketed production, i.e., gross withdrawals less gas used for repressuring and quantities vented and flared.

Source: U.S. Department of Interior, Bureau of Mines, annual reports, and the U.S. Department of Energy, Energy Information Administration.



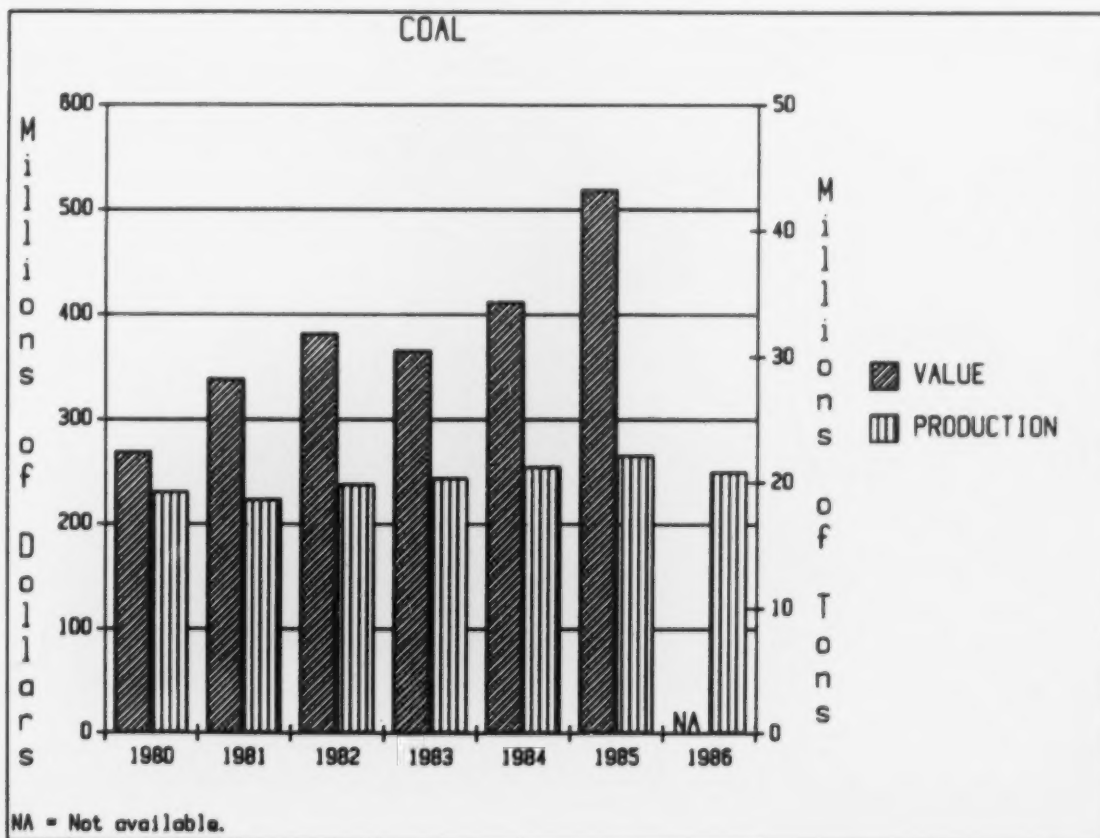
MINING EMPLOYMENT IN NEW MEXICO*
(Monthly Averages)

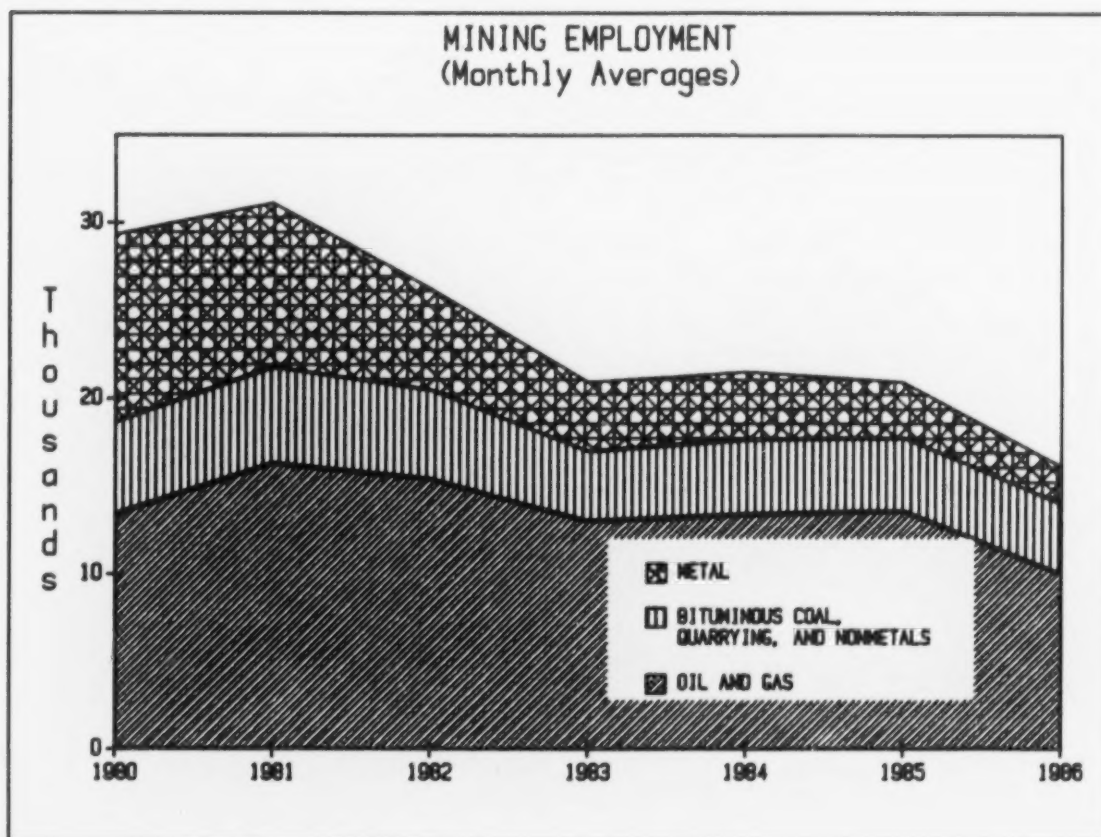
	1976	1980	1981	1982	1983	1984	1985	1986 ^p	% Change 1985-1986
TOTAL	21,500	29,400	31,200	26,300	21,000	21,600	21,000	16,300	-22.4
Metal	9,000	10,700	9,400	5,800	4,000	3,900	3,200	2,200	-31.3
Nonmetal	4,300	5,300	5,500	5,100	4,000	4,300	4,200	4,000	-4.8
Oil & Gas	8,300	13,400	16,300	15,400	13,000	13,400	13,600	10,000	-26.5
Average Weekly Hours	42.5	43.0	44.1	42.2	42.4	41.9	42.3	40.0	-5.4
Average Weekly Earnings	\$264.35	\$395.60	\$436.59	\$470.53	\$475.30	\$481.85	\$503.37	\$502.80	-0.1

* Detail may not add up to total because of rounding.

p Preliminary.

Source: New Mexico Employment Security Department.





CONSTRUCTION

CONSTRUCTION IN NEW MEXICO

	1976	1980	1981	1982	1983	1984	1985	1986 ^p	% Change 1985-1986
EMPLOYMENT ¹	26,100	32,100	33,300	32,100	33,700	36,600	37,500	35,300	-5.9
VALUE OF CONTRACTS AWARDED									
Total (\$000s)	\$632,236	\$1,371,397	\$1,397,856	\$1,354,225	\$2,040,090	\$1,795,606	\$1,770,642	\$1,602,836	-9.5
Residential	334,062	416,307	370,661	412,456	628,529	743,463	790,136	724,563	-8.3
Nonresidential	173,351	387,770	406,357	488,854	680,023	680,339	596,469	513,318	-13.9
Nonbuilding	124,823	567,320	620,838	452,915	731,538	371,804	384,037	364,955	-5.0
BUILDING PERMITS									
Total Value (\$000s) ²	\$ na	\$ na	\$ 679,000	\$ 770,938	\$ 952,745	\$1,210,109	\$1,097,929	\$1,037,762	-5.5
Residential									
Value (\$000s)	\$227,522	\$ 329,753	\$ 324,096	\$ 346,374	\$ 493,158	\$ 683,631	\$ 567,041	\$ 605,902	6.9
Number of Units Permitted									
Single Family	5,667	6,090	5,630	5,540	8,081	7,955	7,150	8,153	14.0
Multifamily	2,681	2,575	2,322	3,060	2,733	8,570	4,640	3,409	-26.5
Nonresidential ^r									
Value (\$000s)	\$ na	na	\$ 248,850	\$ 302,402	\$ 320,479	\$ 384,896	\$ 379,376	\$ 244,916	-35.4
Number of Permits	na	na	2,280	2,393	2,480	2,591	2,473	3,001	21.4

na Not available.

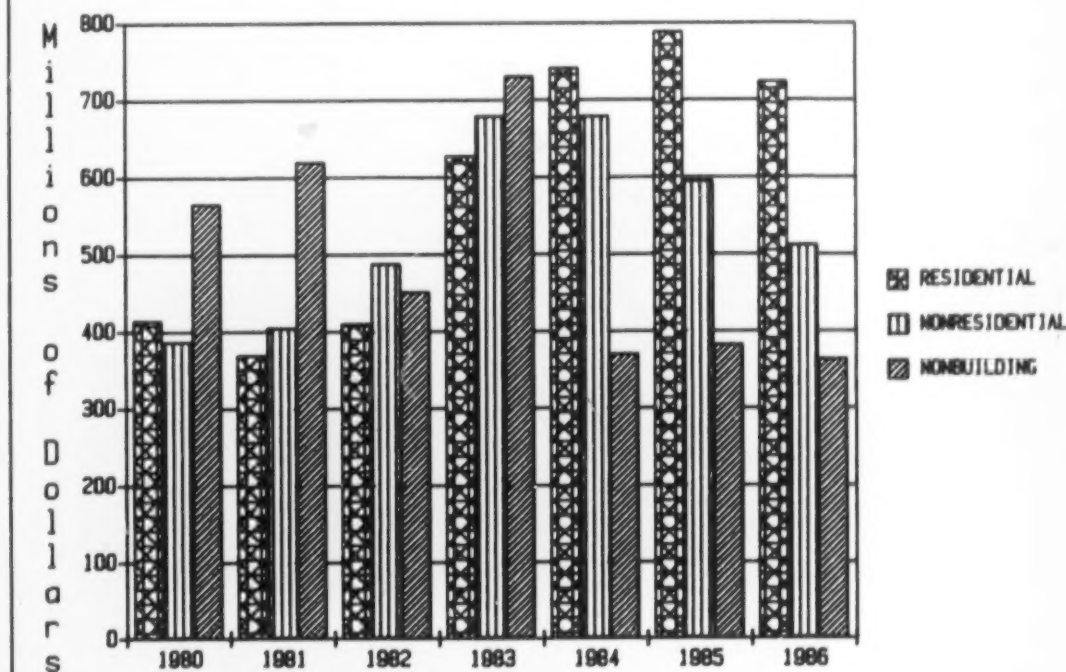
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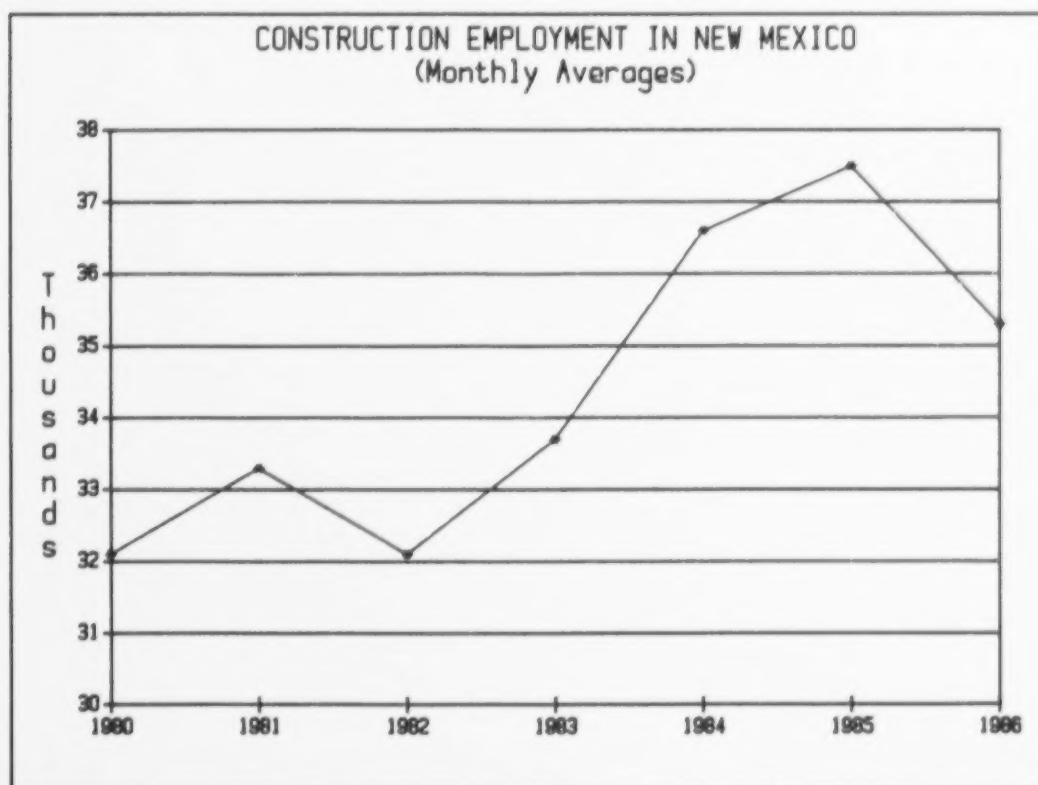
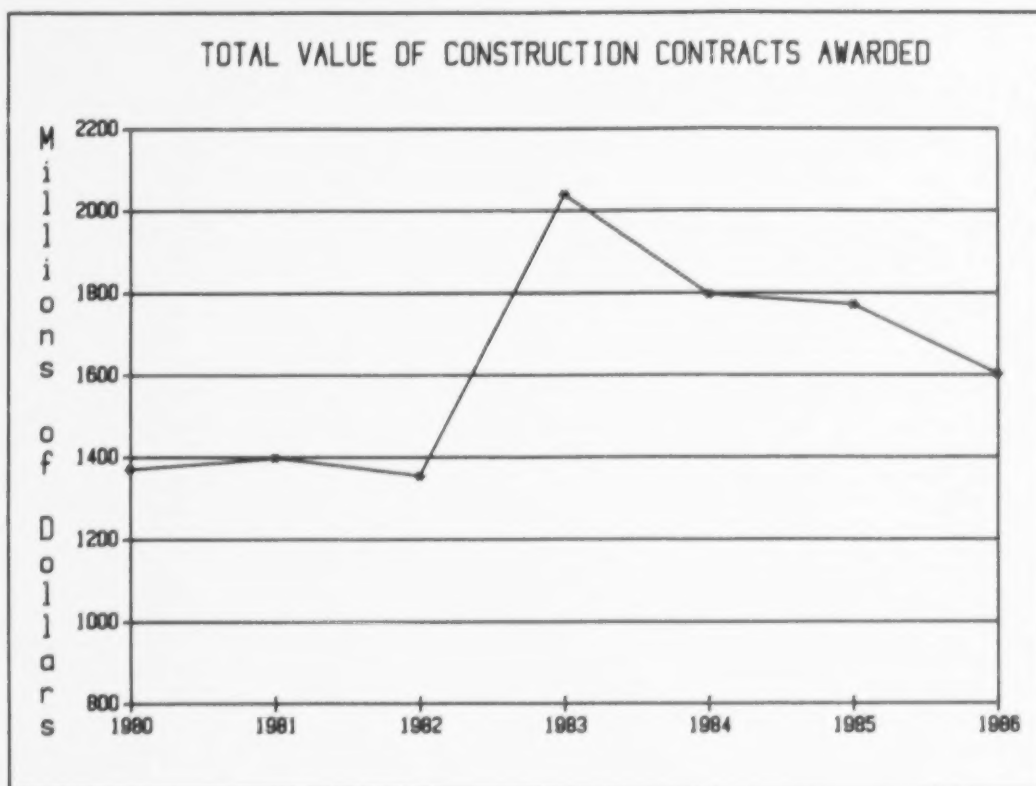
r Revised.

1 Monthly averages.

2 Total value includes new residential value, new nonresidential value, and the value of all additions and alterations (not shown separately).

Source: New Mexico Employment Security Department; F.W. Dodge Division, McGraw-Hill Information Systems Co.; and U.S. Department of Commerce, Bureau of the Census.

VALUE OF CONTRACTS AWARDED
BY TYPE OF CONSTRUCTION



MANUFACTURING

MANUFACTURING EMPLOYMENT IN NEW MEXICO*
(Monthly Averages)

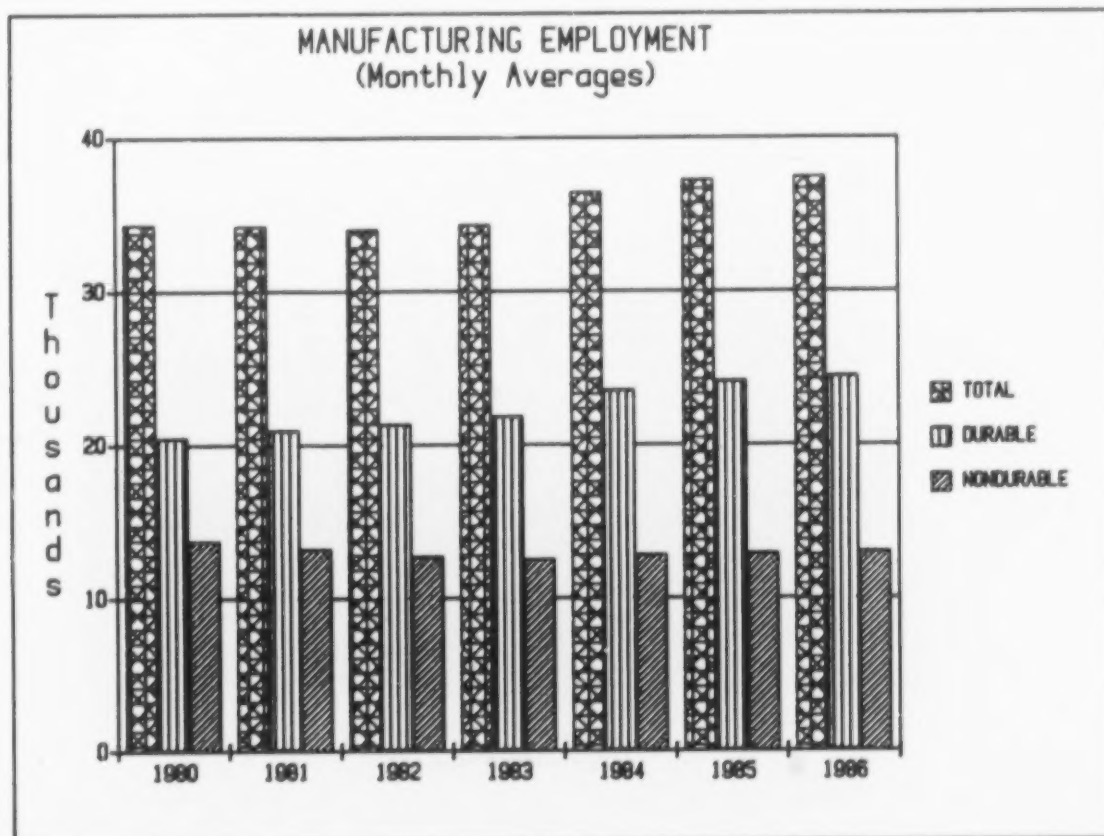
	1976	1980	1981	1982	1983	1984	1985	1986 ^p	% Change 1985-1986
TOTAL	30,300	34,400	34,300	34,100	34,400	36,500	37,300	37,500	0.5
Durable Goods	17,900	20,500	21,000	21,400	21,900	23,600	24,200	24,500	1.2
Lumber & Wood Products	2,900	2,600	2,600	2,100	2,300	2,600	2,600	2,700	3.8
Electrical Equipment	3,100	3,500	3,500	4,400	4,900	6,400	5,900	4,500	-23.7
Transportation Equipment	2,100	3,900	3,800	4,100	3,900	3,500	4,000	4,200	5.0
Other	9,700	10,500	11,200	10,900	10,700	11,200	11,700	13,000	11.1
Nondurable Goods	12,500	13,800	13,300	12,800	12,600	12,900	13,000	13,100	0.8
Food & Kindred Products	4,700	4,600	4,100	3,900	4,000	4,100	4,200	4,300	2.4
Textile & Apparel	3,200	3,800	3,600	3,000	2,600	2,500	2,400	2,400	0.0
Other	4,600	5,500	5,700	5,900	6,000	6,300	6,500	6,400	-1.5
Average Weekly Hours	39.5	39.8	39.5	39.2	39.7	39.9	39.8	39.5	-0.8
Average Weekly Earnings	\$160.77	\$230.44	\$258.33	\$283.02	\$301.72	\$318.40	\$334.72	\$346.81	3.6

* Detail may not add up to total because of rounding.

^p Preliminary.

1 Declines in the electrical equipment sector are partly due to classification changes that moved a substantial number of workers into another manufacturing group.

Source: New Mexico Employment Security Department.



TRANSPORTATION, COMMUNICATIONS AND UTILITIES

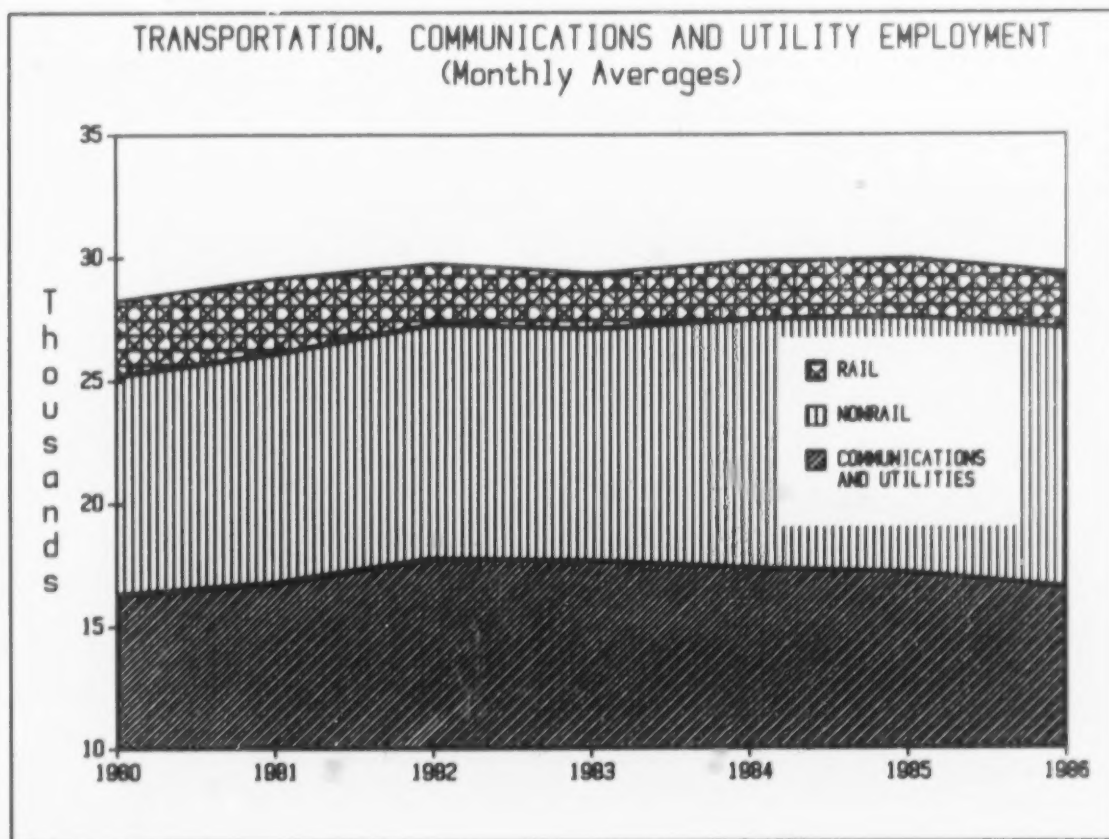
EMPLOYMENT IN TRANSPORTATION, COMMUNICATIONS AND UTILITIES IN NEW MEXICO*
(Monthly Averages)

	1976	1980	1981	1982	1983	1984	1985	1986 ^p	% Change 1985-1986
TOTAL	23,400	28,300	29,200	29,900	29,500	30,000	30,000	29,300	-2.3
Rail	2,600	3,100	3,100	2,500	2,300	2,400	2,400	2,300	-4.2
Nonrail	7,600	8,900	9,300	9,500	9,400	10,100	10,400	10,500	1.0
Trucking & Warehousing	4,600	5,400	5,700	5,700	5,500	6,000	6,200	6,000	-3.2
Other Transportation	3,000	3,500	3,600	3,800	3,900	4,100	4,200	4,500	7.1
Utilities & Communications	13,100	16,300	16,800	17,800	17,700	17,400	17,200	16,600	-3.5
Communication	6,100	7,500	7,500	8,000	8,000	7,700	7,400	6,900	-6.8
Electric & Gas Utilities	7,000	8,800	9,300	9,800	9,700	9,700	9,800	9,700	-1.0

* Detail may not add up to total because of rounding.

p Preliminary.

Source: New Mexico Employment Security Department.



WHOLESALE AND RETAIL TRADE

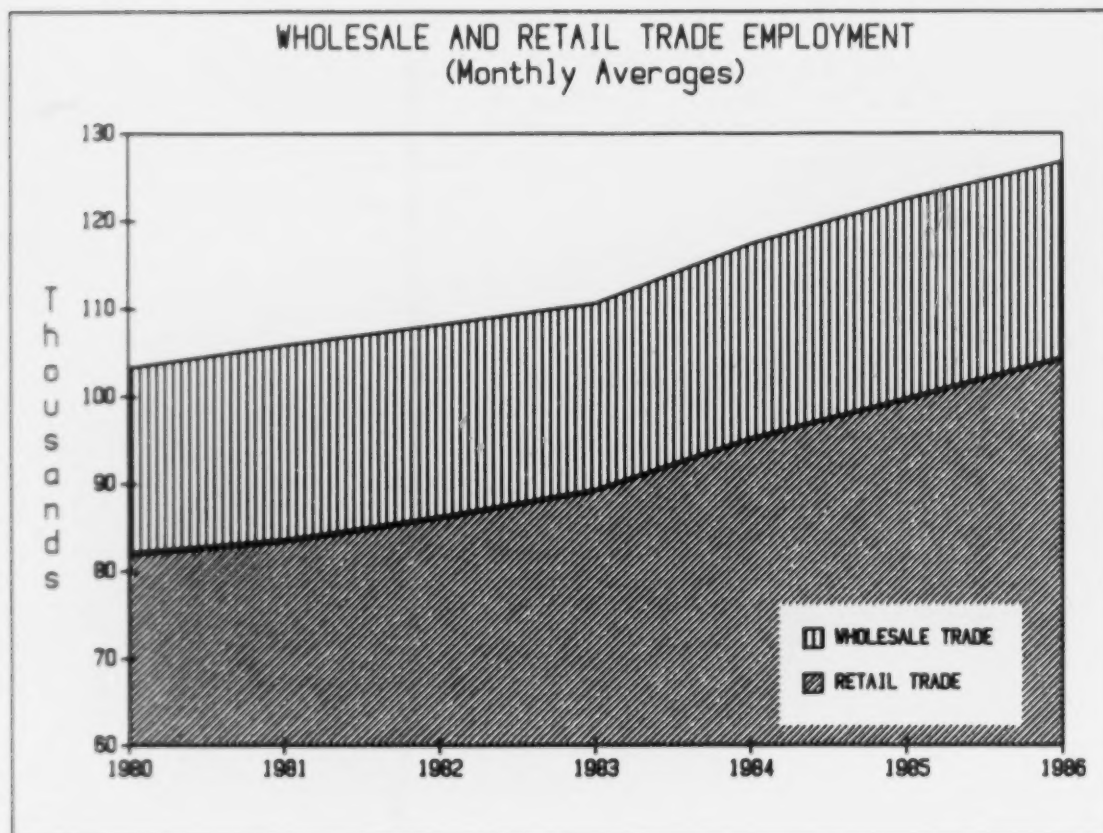
WHOLESALE AND RETAIL TRADE EMPLOYMENT IN NEW MEXICO*
(Monthly Averages)

	1976	1980	1981	1982	1983	1984	1985	1986 ^p	% Change 1985-1986
TOTAL	90,400	103,400	106,000	108,300	110,700	117,500	122,600	126,900	3.5
Wholesale	17,600	21,400	22,500	22,200	21,500	22,400	23,000	22,600	-1.7
Retail	72,700	82,000	83,500	86,100	89,200	95,100	99,600	104,300	4.7
Average Weekly Hours ¹	36.3	35.0	35.2	35.7	35.4	32.2	33.0	32.2	-2.4
Average Weekly Earnings ¹	\$153.19	\$219.80	\$235.14	\$243.47	\$249.22	\$211.55	\$219.45	\$217.99	-0.7

* Detail may not add up to total because of rounding.

^p Preliminary.¹ Sectors are combined. Excludes eating and drinking establishments through 1983.

Source: New Mexico Employment Security Department.



FINANCE, INSURANCE AND REAL ESTATE

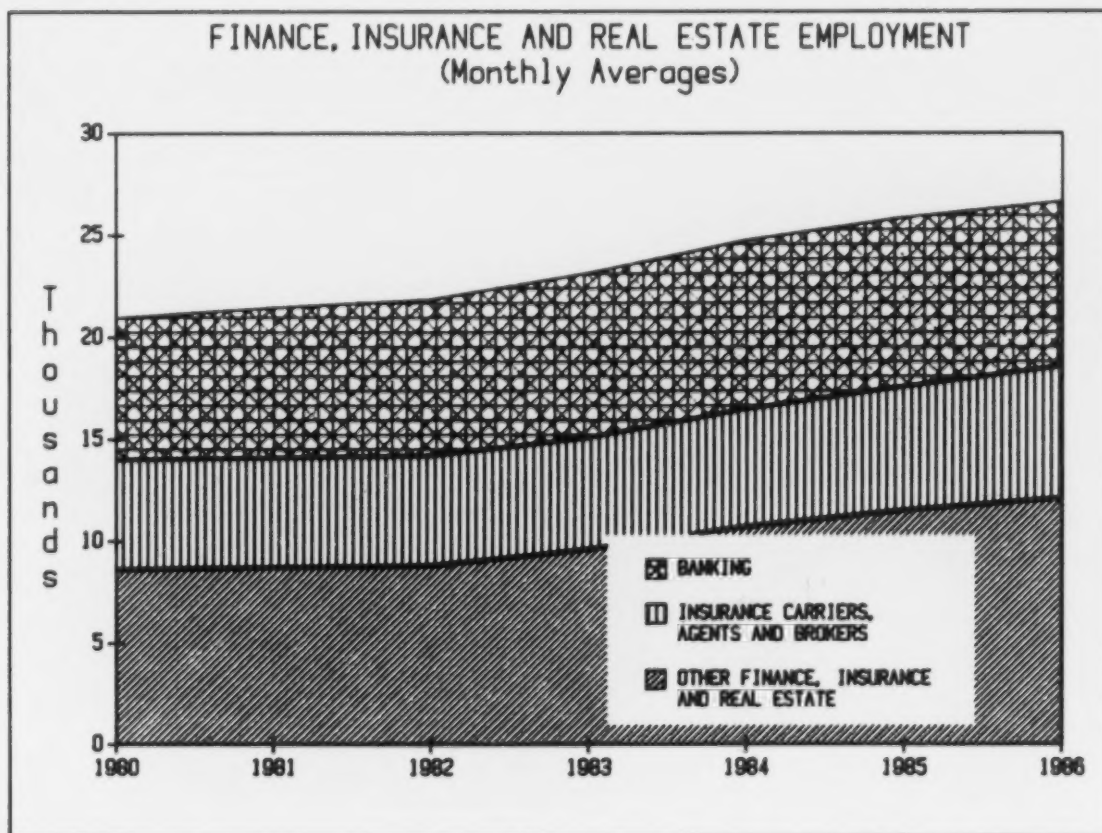
FINANCE, INSURANCE AND REAL ESTATE EMPLOYMENT IN NEW MEXICO*
(Monthly Averages)

	1976	1980	1981	1982	1983	1984	1985	1986 ^p	% Change 1985-1986
TOTAL	17,000	21,100	21,500	21,900	23,200	24,700	25,800	26,700	3.5
Banking	5,700	7,000	7,400	7,700	8,100	8,300	8,300	8,100	-2.4
Insurance Carriers, Agents & Brokers	4,300	5,400	5,400	5,400	5,500	5,800	6,100	6,500	6.6
Other Finance, Insurance & Real Estate	7,000	8,600	8,700	8,800	9,600	10,700	11,500	12,100	5.2

* Detail may not add up to total because of rounding.

^p Preliminary.

Source: New Mexico Employment Security Department.



FINANCIAL ACTIVITY
(\$ Millions)

	1976	1980	1981	1982	1983	1984	1985	1986 ^p	% Change 1985-1986
FINANCIAL INSTITUTIONS									
Banks ¹									
Assets	\$3,502	\$5,648	\$6,328	\$7,115	\$8,057	\$8,648	\$9,182	\$9,516	3.6
Deposits	3,131	4,906	5,368	6,007	6,935	7,376	7,956	8,196	3.0
Gross Loans	1,919	3,102	3,400	3,816	4,253	5,000	5,466	5,608	2.6
Savings & Loan Associations ²									
Assets	\$ na	\$2,483	\$2,724	\$2,932	\$3,411	\$4,043	\$4,640	\$5,328	14.8
Deposits	1,127	2,064	2,241	2,408	2,742	3,268	3,862	4,322	11.9
New Savings Received	50	179	179	215	316	482	na	na	na
MISCELLANEOUS									
Life Insurance Sales	\$1,038	\$2,112	\$2,667	\$3,354	\$4,142	\$4,194	\$4,630	na ³	na
New Business Incorporations	1,830	2,450	2,588	2,455	2,475	2,878	2,843	2,023 ³	na

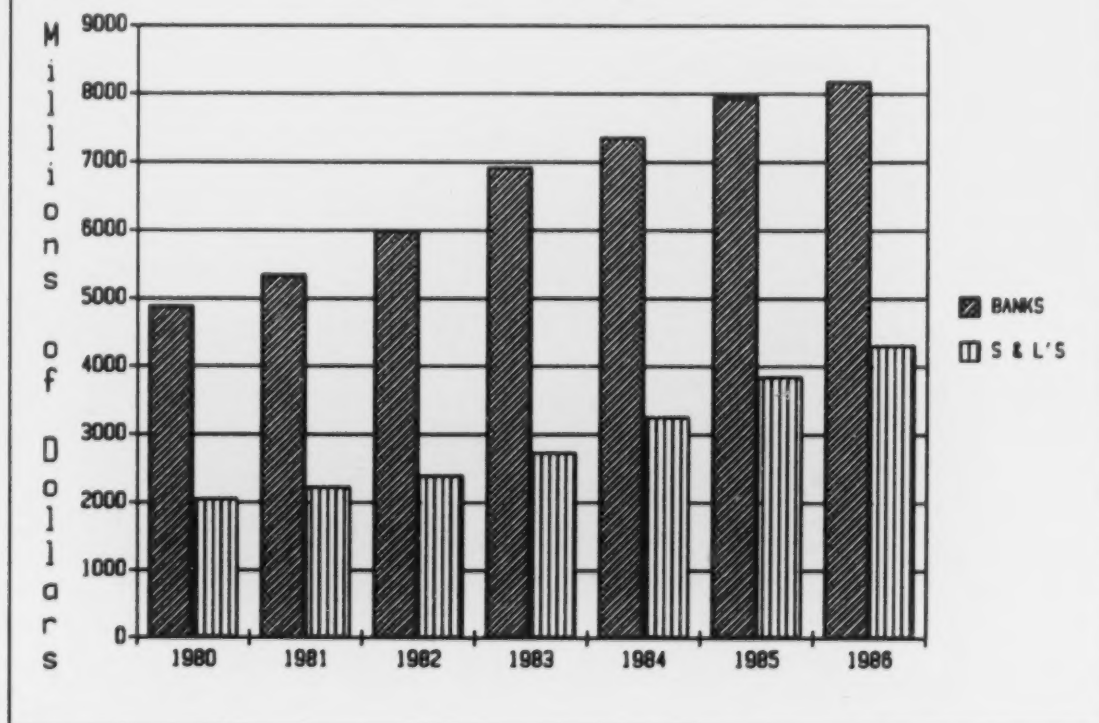
na Not available.

p Preliminary.

1 Midyear figures.

2 Monthly averages.

3 Total for the first ten (10) months of the year.

Source: The Federal Reserve Bank; Federal Home Loan Bank of Dallas; Life Insurance Fact Book, various issues; and Dun & Bradstreet, Inc.DEPOSITS IN FINANCIAL INSTITUTIONS
(Monthly Averages)

SERVICES, RECREATION AND TOURISM

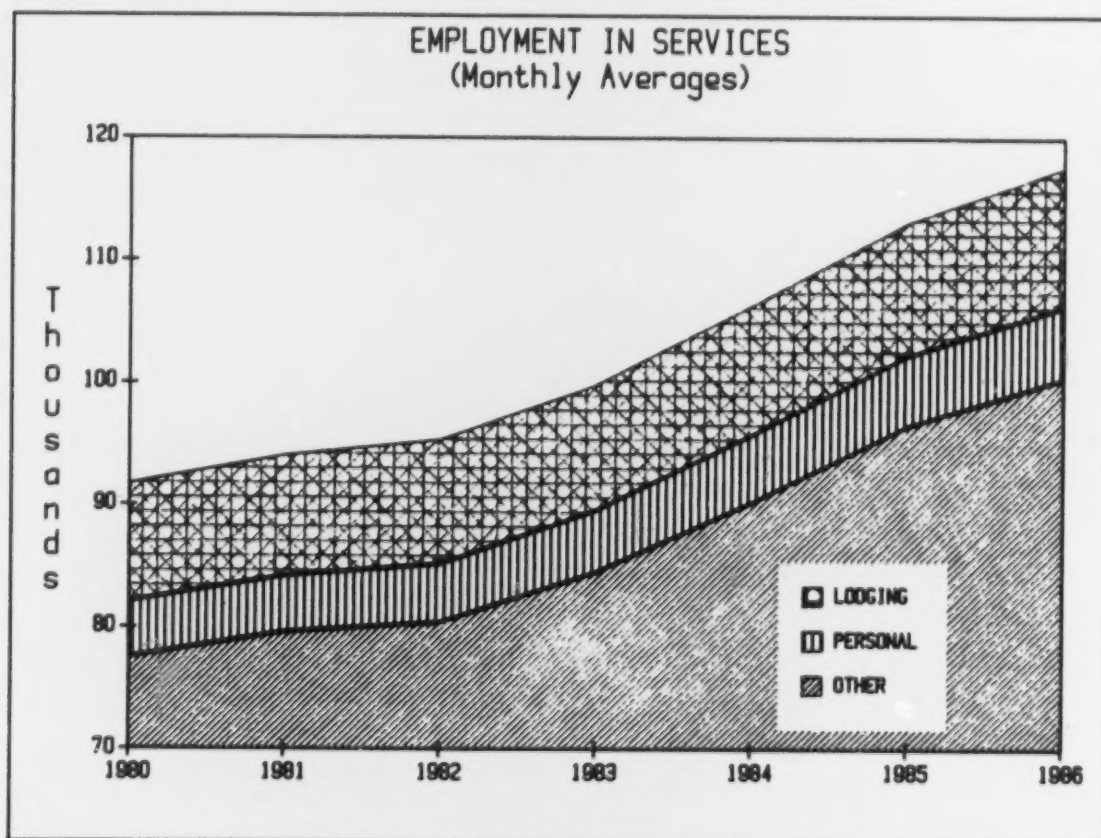
EMPLOYMENT IN SERVICES IN NEW MEXICO*
(Monthly Averages)

	1976	1980	1981	1982	1983	1984	1985	1986 ^p	% Change 1985-1986
TOTAL	73,300	91,800	94,100	95,500	99,700	106,300	113,200	117,700	4.0
Lodging Establishments	8,900	9,700	9,900	10,200	10,300	10,600	10,900	11,400	4.6
Personal	4,300	4,600	4,600	4,800	5,100	5,600	5,800	5,900	1.7
Business	14,300	18,900	20,400	21,000	22,000	24,400	26,700	27,700	3.7
Medical	16,500	20,800	22,300	23,800	25,100	26,000	27,100	29,100	7.4
Social	7,900	10,300	8,900	6,600	6,600	7,000	7,100	6,700	-5.6
Nonprofit Organizations	4,100	5,300	4,900	4,800	5,400	5,700	6,300	6,300	0.0
Other	17,400	22,200	23,100	24,200	25,200	27,100	29,300	30,600	4.4

* Detail may not add up to total because of rounding.

p Preliminary.

Source: New Mexico Employment Security Department.

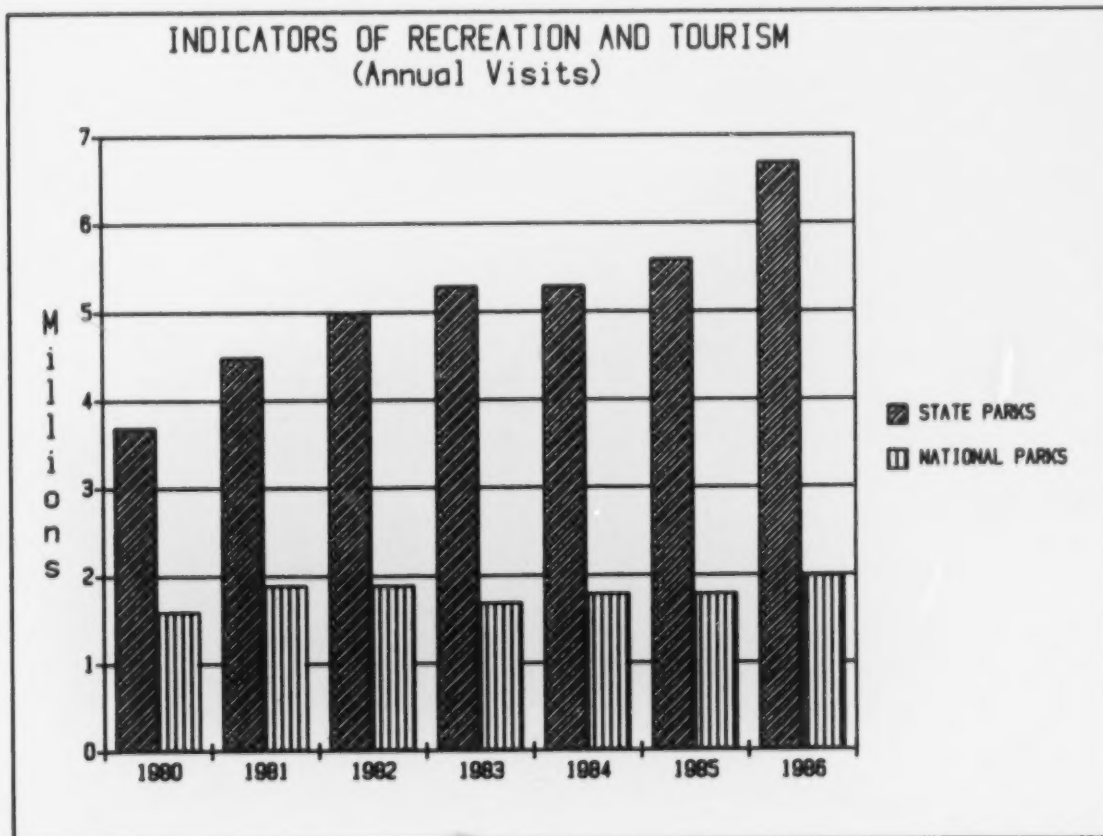


INDICATORS OF RECREATION AND TOURISM IN NEW MEXICO

	1976	1980	1981	1982	1983	1984	1985	1986 ^p	% Change 1985-1986
AVERAGE MONTHLY EMPLOYMENT									
Lodging Establishments	8,900	9,700	9,900	10,200	10,300	10,600	10,900	11,400	4.6
Eating & Drinking Places	21,000	26,500	27,800	29,500	31,500	33,700	35,400	37,500	5.9
VISITS TO NATIONAL PARKS & MONUMENTS									
Annual Total	2,077,730	1,646,460	1,850,906	1,866,398	1,732,720	1,782,960	1,773,500	2,004,690	13.0
Quarterly Total: I	255,940	222,940	263,734	263,433	243,460	255,030	232,870	368,110	58.1
II	698,510	542,880	598,004	619,139	530,390	604,540	573,940	608,490	6.0
III	881,640	645,060	709,336	731,139	712,230	665,670	691,290	748,420	8.3
IV	241,640	235,580	279,832	252,687	246,640	257,720	275,400	279,670	1.6
VISITS TO STATE PARKS									
Annual Total	2,552,496	3,679,620	4,502,456	4,951,065	5,323,311	5,332,883	5,619,812	6,680,095	18.9

^p Preliminary.

Source: New Mexico Employment Security Department; U.S. Department of the Interior, National Park Service; and the New Mexico Natural Resources Department, Park and Recreation Division.



GOVERNMENT EMPLOYMENT

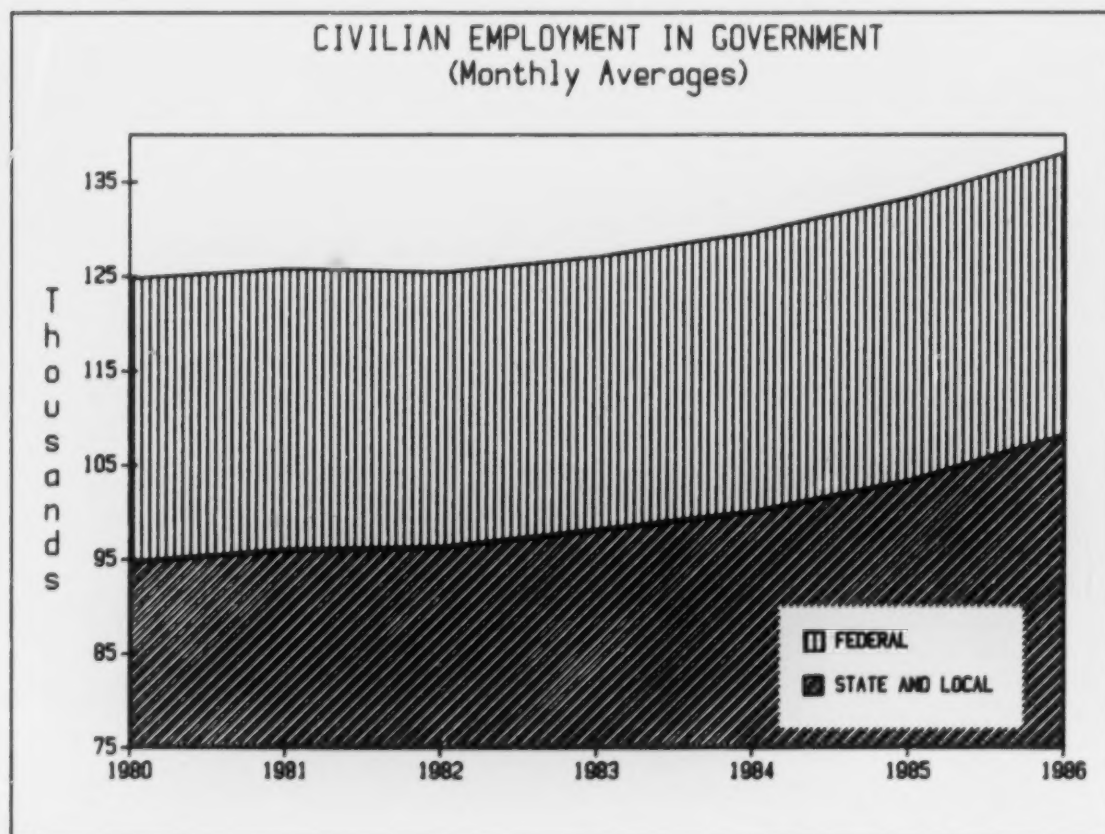
CIVILIAN EMPLOYMENT IN GOVERNMENT IN NEW MEXICO*
(Monthly Averages)

	1976	1980	1981	1982	1983	1984	1985	1986 ^p	% Change 1985-1986
TOTAL	108,000	125,000	125,800	125,600	127,200	129,700	133,300	138,200	3.7
Federal	28,400	30,200	29,900	29,200	29,100	29,700	30,100	30,000	-0.3
State & Local	76,600	94,700	96,000	96,300	98,100	100,000	103,300	108,200	4.7
State	31,200	42,700	44,100	43,100	43,600	44,600	47,200	50,600	7.2
Local	45,400	52,000	51,900	53,200	54,500	55,400	56,100	57,600	2.7

* Detail may not add up to total because of rounding.

^p Preliminary.

Source: New Mexico Employment Security Department.



New Mexico's Population Aging Gracefully

State population estimates by age, recently released by the Census Bureau, show that New Mexico's population is aging as quickly as the rest of the nation in the 1980's. The median age of the state increased by 1.6 years from 1980 to 1985—compared to an increase of 1.5 years in the national median age. Yet, significant differences between New Mexico and the U.S. remain. New Mexico still has a younger population with a median age of 28.9 years in 1985 compared to the national median of 31.5 years, and the differences by age groups are striking.

The youngest population, children under the age of 5 years, is at its highest level in the United States since 1967. After a decrease of almost 5 percent in the 1970s, the ranks of preschoolers have increased by over 10 percent since 1980. In New Mexico, the growth in this age group has been twice as fast, over 20 percent, 1980-1985. However, this does not reflect a turnaround from a decrease in the 1970s, but simply an acceleration from a 19 percent increase in the past decade. As a result of continued in-migration and the higher levels of fertility beginning in the late 1970s, children under 5 years represented almost 10 percent of the state's population in 1985—compared to less than 8 percent nationally.

Consistently higher levels of fertility have effected different trends in the 5-17 age group, too. Nationally, this population has been decreasing since 1970. Only 10 states in the South and West, including New Mexico, have experienced an increase in the 5-17 ages. Changes range from -12.5 percent in New England to an average gain of 5 percent in the Mountain states and 2.3 percent in New Mexico.

Only among young adults, aged 18-24 years, has there been a decrease in New Mexico, like the U.S. Although the loss of population, -0.2 percent, is negligible here, it represents a significant change from the increase of 48 percent in the 1970s. The aging of the baby boom generation and decreasing levels of in-migration have contributed to the declining number of young adults in New Mexico.

The baby boom cohort has grown up, and the most rapid increases are evident now among 25-44 year olds. Representing over 30 percent of the total population, this cohort continues to dominate the changing age composition of the population in New Mexico and the rest of the nation. However, since 1970, the growth of this population has decelerated somewhat here. Although the rate of growth continues to exceed national change—21 percent compared to under 18 percent, 1980-1985, the difference is narrowing with the lower levels of migration into New Mexico in the 1980s. Growth in this age group is more pronounced among states with higher rates of in-migration, like Arizona and Colorado.

Migration also differentiates change among the states in the

middle ages, 45-64 years. Since this age group includes the smaller cohorts of the Depression era, growth tends to be slow—less than 1 percent from 1980 to 1985. In the North, continued out-migration resulted in a loss of population aged 45 to 64 years in every state but New Hampshire, the only state with net in-migration of over 1 percent in 5 years. In the South and West, the average increase among 45-64 year olds has been about 5 percent. And in New Mexico, an increase of almost 8 percent has maintained growth, but at lower levels than the increase of almost 29 percent from 1970 to 1980.

The most dramatic decrease in growth locally, however, has been among the elderly, persons aged 65 years and older. The apparent youth of New Mexico's population has masked a rapid increase in the elderly—over 64 percent 1970-1980. Again, decreasing levels of in-migration have reduced the rate of growth to less than 20 percent in the 1980s. This change, however, is typical. Nationally, the increase among the 65 and over group has slowed a little; regionally, the younger states of the South and West continue to experience more rapid growth among the elderly, 30.5 percent 1980-1985, than the Northern states, 17.3 percent as a result of differential rates of migration.

Regional variations in the age composition of the population reflect both migration and historical patterns of fertility. New Mexico's younger population is similar to other Western and, particularly, Mountain states because fertility and migration are higher here. Even recent, 1970-1985, variations in the age distribution of the state's population can be understood through the components of change.

The population pyramids from 1970 to 1985 show the accelerated increase in the preschool population in the 1980s and the slower growth of the adult age groups. Although average annual increase in the state's population has not changed significantly, from +28,600 in the 1970s to 28,000 in the 1980s, there has been a shift in the components of change that explains the variable growth by age. Migration contributed to almost half of the growth in the 1970s—dropping to 35 percent of total growth in the 1980s. As migration decreased, however, births increased. The so-called "echo effect" of the original baby boom is the inevitable result of the increased number of women from the baby boom generation entering their child-bearing years. This aging of the population has contributed to the decrease of migration and the increase in fertility—maintaining growth by changing the age composition.

Population estimates by age for all states from 1980 to 1985 and intercensal estimates by age, 1971 to 1979, may be requested from the Data Bank, 277-6626. Similar data for counties are not available.

Lynn Bodin Wombold
Senior Demographer

NEW MEXICO POPULATION ESTIMATES BY AGE

Age	1985 ¹	1984	1983	1982	1981	1980 ²
Totals ³	1,450	1,426	1,402	1,368	1,335	1,303
< 5 years	138	136	133	127	121	115
5-14	238	234	231	227	224	224
15-24	250	252	255	256	257	258
25-34	250	245	241	234	228	217
35-44	188	180	171	162	150	145
45-54	130	129	127	125	123	122
55-64	117	116	114	111	109	107
65-74	86	84	82	80	78	75
75+ years	53	51	48	46	44	41
16+ years	1,049	1,032	1,015	991	966	939
18+ years	1,002	986	967	941	914	885

¹ All estimates refer to July 1 of the estimate year.
Data for 1985 is provisional.

² 1980 Census, April 1.

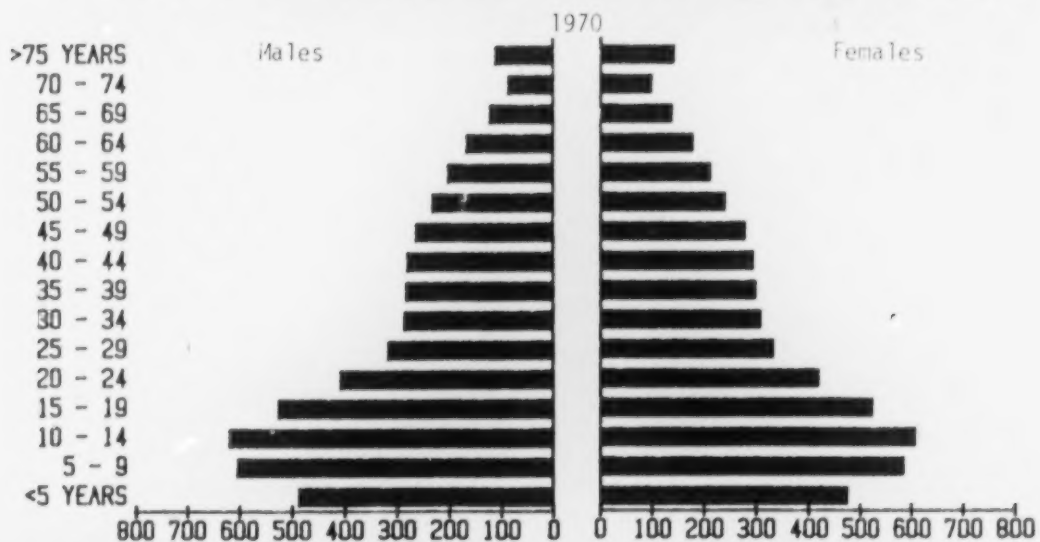
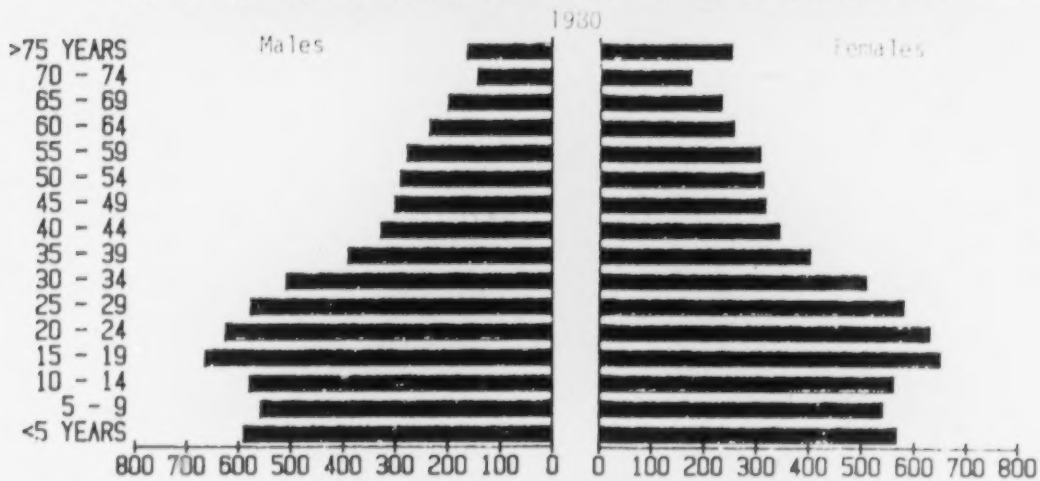
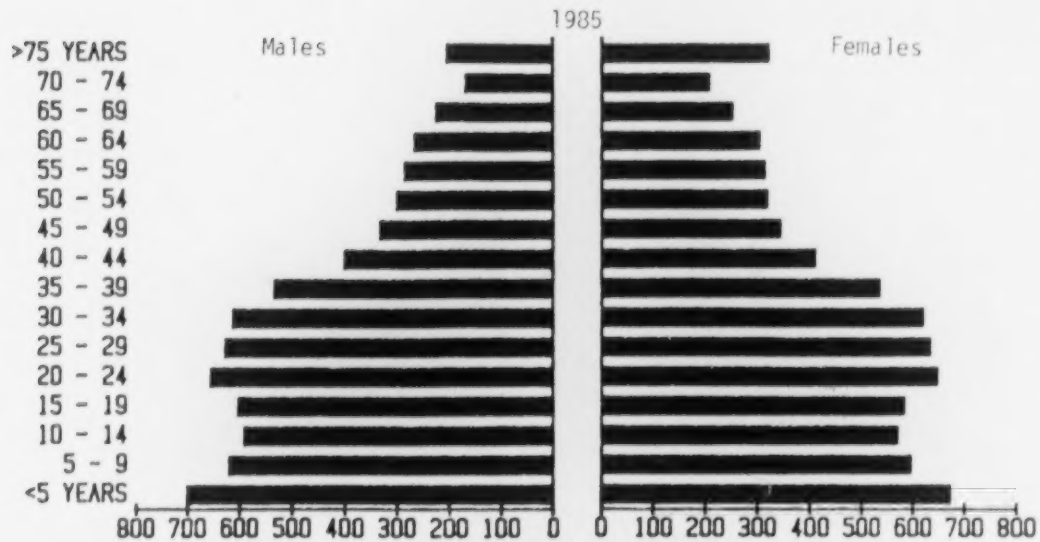
³ All figures shown in thousands; detail may not sum to totals due to rounding.

PERCENT CHANGE IN POPULATION BY AGE: 1980-1985

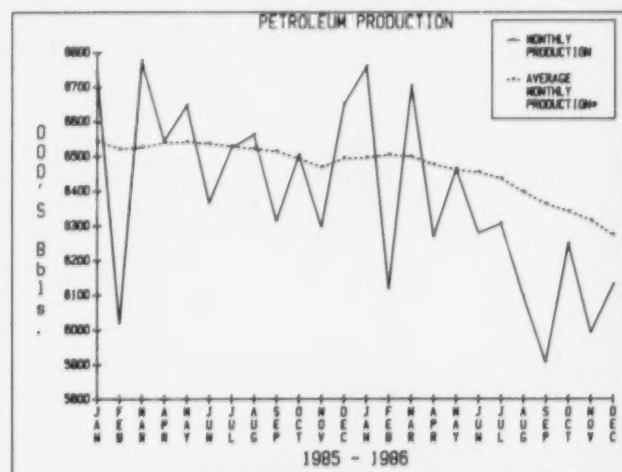
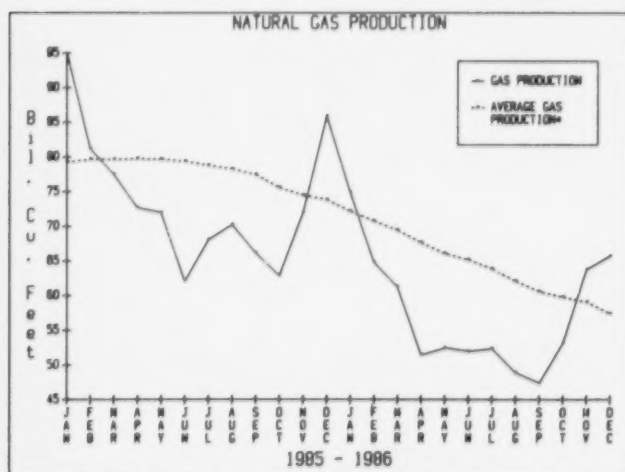
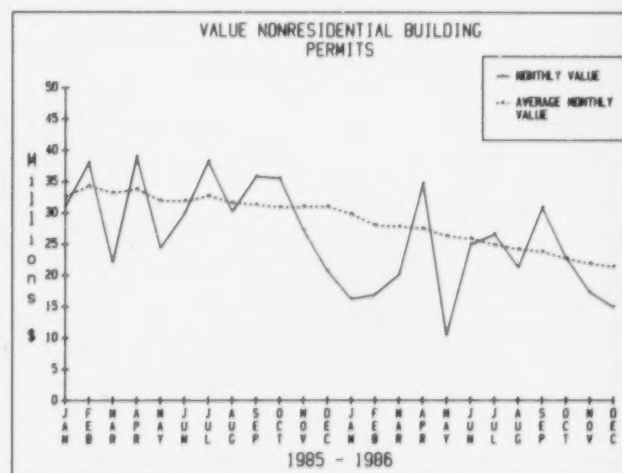
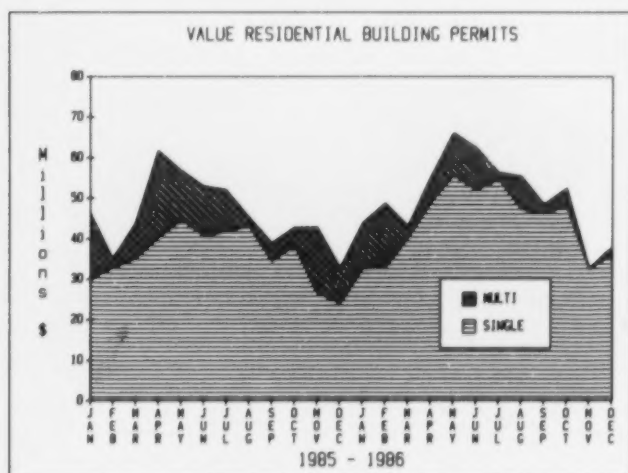
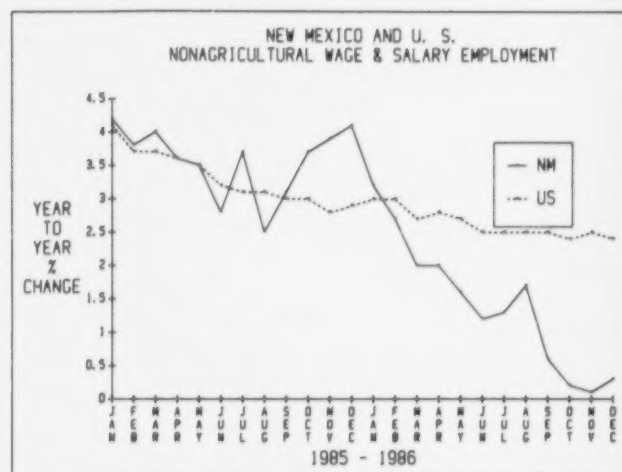
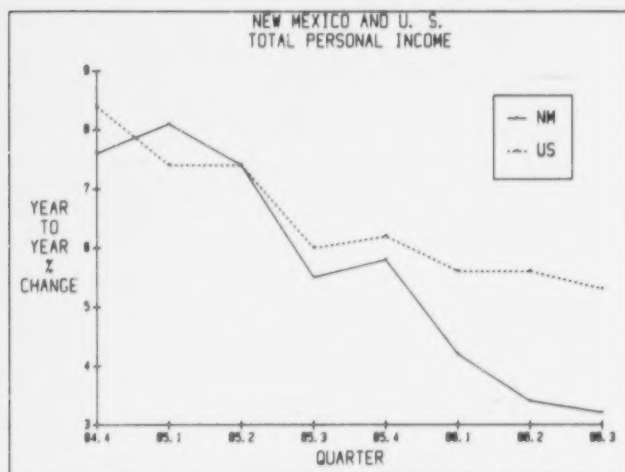
Area	Total Population	Under 5 Years	5-17 Years	18-24 Years	25-44 Years	45-64 Years	65+ Years
United States	5.4	10.3	-5.1	-5.1	17.6	0.9	11.7
Northeast	1.5	6.8	-11.5	-4.2	12.9	-2.9	8.3
Midwest	0.6	2.4	-8.2	-10.5	12.0	-3.8	9.0
South	8.6	12.6	-2.5	-1.1	21.1	5.5	13.5
West	10.8	20.3	1.6	-5.7	24.0	4.6	17.0
Mountain	12.5	15.9	5.0	-4.2	25.7	6.6	21.4
New Mexico	11.3	20.1	2.3	-0.2	21.3	7.9	19.6
Arizona	17.2	26.4	4.7	2.1	31.0	12.3	27.5
Colorado	11.8	23.3	0.8	-7.3	26.1	7.8	15.4
Idaho	6.4	1.0	7.3	-7.8	16.3	-2.6	16.8
Montana	5.0	8.8	-2.0	-9.1	15.8	-1.0	15.4
Nevada	16.9	19.4	-4.2	1.5	33.1	11.9	41.4
Utah	12.6	2.5	19.7	-6.8	26.1	1.8	19.1
Wyoming	8.5	12.7	8.7	-16.0	25.6	-6.4	13.1

Source: U.S. Bureau of the Census, State Population and Household Estimates to 1985, With Age And Components of Change, Current Population Reports, Series P-25, No. 998, 1986.

POPULATION PYRAMIDS: NEW MEXICO



ECONOMIC TRENDS IN NEW MEXICO



U.S. ECONOMIC INDICATORS

		CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/ QTR DATA
Consumer price index				
All urban consumers (1967=100)				
All items	Dec 86	331.1	1.1	330.8
Food and beverages	Dec 86	317.0	3.7	316.4
Housing	Dec 86	362.1	1.8	361.7
Apparel and upkeep	Dec 86	210.9	0.9	213.1
Transportation	Dec 86	304.8	-5.9	304.3
Medical care	Dec 86	446.8	7.7	444.6
Entertainment	Dec 86	277.4	3.4	277.4
Other goods and services	Dec 86	355.2	5.6	354.9
Revised series, wage earners and clerical workers (1967=100)				
All items	Dec 86	325.7	0.7	325.4
Gross national product* (\$Bil. constant)				
	IV 86	3702.4	2.3	3686.4
Prime interest rate** (% per annum)	Dec 86	7.5	+21.0	7.5
Mortgage interest rate*** (% per annum)	Dec 86	9.7	-11.4	9.9
3 month treasury bill# (% per annum)	Dec 86	5.5	-22.3	5.3
Industrial production### (1977=100)	Dec 86	126.6	0.8	126.0
Manufacturers new orders### (\$Bil.)	Dec 86	201.9	0.4	199.5

NEW MEXICO AND U.S. COMPARISONS

		NEW MEXICO			UNITED STATES		
	CURRENT MO/QTR	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA
Employment (000)	Dec 86	616.0	2.2	619.4	110,588	2.4	110,751
Unemployment rate (%)	Dec 86	9.3	8.2	9.1	6.3	-5.9	6.6
Nonagricultural employment (000)	Dec 86	535.3	0.3	533.1	101,948	2.5	101,879
Personal income### (\$Mil.)	III 86	16,369	3.3	16,316	3,497,088	5.4	3,479,574
Housing units permitted							
Single	Dec 86	556	48.7	512	73,858	24.9	69,719
Multi	Dec 86	58	-82.7	9	57,656	-15.7	43,516

Note: Selected data items subject to revision.

N Not available.

* 1982 dollars at seasonally adjusted annual rates.

** Closing rate for month.

*** Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years.

Rate on new issues within period; bank discount basis.

Monthly data seasonally adjusted.

Quarterly data seasonally adjusted at annual rates.

Sources: U. S. Department of Labor, News; CPI data;
New Mexico Employment Security Department and U. S. Bureau of Labor Statistics; employment and unemployment data;
U. S. Department of Commerce, Bureau of Economic Analysis; income data;
U. S. Department of Commerce, Bureau of the Census; construction data;
U. S. Council of Economic Advisors, Economic Indicators; all other data.

NEW MEXICO ECONOMIC INDICATORS

		CURRENT MO/QTR DATA	\$ CHANGE YEAR AGO	PREVIOUS MO/QTR DATA
1. GENERAL				
Civilian labor force* (000)	Dec 86	679.0	3.0	681.6
Total employment* (000)	Dec 86	616.0	2.2	619.4
Unemployment* (000)	Dec 86	63.0	11.0	62.3
Unemployment rate (%)	Dec 86	9.3	8.2	9.1
Weekly new unemployment insurance claims	Dec 86	1800.0	13.2	1491.0
Nonagricultural wage/salary employment** (000)	Dec 86	535.3	0.3	533.1
New business incorporations	Oct 86	187.0	2.2	193.0
Personal income*** (\$ mil.)	III 86	16369.0	3.3	16316.0
2. AGRICULTURAL RECEIPTS				
Livestock and products (\$ mil.)	Nov 86	100.7	5.5	100.9
Crops (\$ mil.)	Nov 86	43.3	-6.2	29.0
Total (\$ mil.)	Nov 86	144.1	1.7	129.9
3. MINING				
Employment** (000)	Dec 86	14.7	-29.9	15.1
Average hourly earnings (\$)	Dec 86	12.07	-1.1	12.61
Petroleum production (000 bbls.)	Dec 86	6129.8	-7.8	5993.1
Natural gas production (bill. cu. ft.)	Dec 86	65.8	+23.4	63.8
Coal production (000 short tons)	Dec 86	1437.0	-15.0	1214.0
Oil well completions&	Dec 86	40.0	+34.4	29.0
Gas well completions&	Dec 86	17.0	+43.3	11.0
Total footage drilled& (000)	Dec 86	113.4	+47.7	208.9
Oil sales (\$ mil.)	Oct 86	78.8	-54.8	75.7
Gas sales (\$ mil.)	Oct 86	77.1	-49.4	71.6
4. CONSTRUCTION				
Employment** (000)	Dec 86	34.2	-7.0	35.5
Average hourly earnings (\$)	Dec 86	11.11	-1.3	12.15
Residential units permitted	Dec 86	614.0	-13.5	521.0
Residential building permits (\$ mil.)	Dec 86	38.1	15.5	32.8
Nonresidential building permits (\$ mil.)	Dec 86	14.9	-28.0	17.3
Residential construction contracts (\$ mil.)	Dec 86	35.6	-17.2	37.8
Nonresidential construction contracts (\$ mil.)	Dec 86	26.9	-10.6	30.4
Nonbuilding construction contracts (\$ mil.)	Dec 86	38.5	52.2	23.7
5. TRANSPORTATION/COMMUNICATION/UTILITIES				
Employment** (000)	Dec 86	29.6	-3.5	29.5
Average hourly earnings## (\$)	Dec 86	12.26	8.4	13.48
6. MANUFACTURING				
Employment** (000)	Dec 86	37.8	0.3	37.9
Average hourly earnings (\$)	Dec 86	9.06	4.2	8.78
Electric & electronic equipment employment** (000)	Dec 86	4.3	-14.0	4.3
Transportation equipment employment** (000)	Dec 86	4.3	0.0	4.3
Food & kindred products employment** (000)	Dec 86	4.4	7.4	4.5
Textile & apparel employment** (000)	Dec 86	2.4	0.0	2.4
Lumber & wood products employment** (000)	Dec 86	2.8	7.7	2.8

NEW MEXICO ECONOMIC INDICATORS (continued)

		CURRENT MO/QUARTER	DATA	% CHANGE YEAR AGO	PREVIOUS MO/QUARTER DATA
7. TRADE					
Wholesale employment** (000)	Dec 86	22.4	+3.0	22.5	
Retail employment** (000)	Dec 86	109.1	1.4	106.8	
Average hourly earnings (\$)	Dec 86	6.68	0.5	6.67	
8. FINANCE/INSURANCE/REAL ESTATE					
Employment** (000)	Dec 86	27.0	2.7	26.9	
Bank average hourly earnings (\$)	Dec 86	5.96	3.0	5.91	
Bank total assets (\$ mil.)	11 86	9515.6	1.7	9401.8	
Bank total deposits (\$mil.)	11 86	8195.7	1.1	8128.4	
Bank gross loans (\$ mil.)	11 86	5608.4	2.8	5565.8	
S & L total assets (\$ mil.)	Nov 86	5400.1	11.6	5529.0	
S & L total deposits (\$ mil.)	Nov 86	4429.1	9.0	4429.0	
S & L new mortgage loans closed*** (\$ mil.)	Nov 86	116.7	15.0	128.1	
9. SERVICES AND TOURISM					
Total service employment** (000)	Dec 86	118.5	1.2	117.4	
Lodging employment** (000)	Dec 86	11.7	12.5	11.7	
Eating & drinking places employment** (000)	Dec 86	17.7	1.3	17.6	
Visits to state parks (000)	Dec 86	202.9	16.9	248.1	
Visits to national parks/monuments (000)	Dec 86	70.1	-6.8	88.8	
Passenger traffic at Albuquerque airport# (000)	Dec 86	354.2	5.1	117.9	
Lodgers tax receipts (\$ 000)	11 86	2262.0	9.1	1711.5	
Lodging occupancy rates (%)	Dec 86	42.8	2.7	46.6	
10. GOVERNMENT					
Total government employment** (000)	Dec 86	142.0	1.2	141.5	
Federal employment** (000)	Dec 86	29.6	-0.6	29.4	
State employment** &# (000)	Dec 86	50.1	8.0	51.1	
Local employment** (000)	Dec 86	60.1	5.4	59.0	
Total general fund revenues&# (000) (\$ mil.)	Dec 86	118.1	10.4	101.9	

Note: selected data items subject to revision.

N Not available.

* Number of persons by place of residence.

** Number of jobs by place of work.

*** Quarterly data seasonally adjusted at annual rates.

& These include wells that are in the following categories: new drillings, deepened, plugged back, reentry, and additional zone.

&& Oil and gas combined.

&&& New mortgage loans closed equals the previously carried item "Total loans closed" plus a relatively insignificant additional loan category.

For example, in the report that contained June 1985 figures this would be the percent change in the average of July 1981 to June 1984 data versus the average of July 1984 to June 1985 data.

#& Communications and utilities only.

#& Passenger traffic includes enplanements and deplanements.

&# This figure includes full and part time employment at Los Alamos National Laboratories (LANL). Full time employment alone at LANL is 7,955 as of AUGUST 1986 according to U. S. Dept. of Energy, Public Affairs.

&#& Includes recurring and non-recurring revenues.

Sources: New Mexico Employment Security Dept.: Sections 1, 3, 4, 5, 6, 7, 8, 9, 10;

Dun and Bradstreet, Inc.: Section 1;

U. S. Dept. of Commerce, Bureau of Economic Analysis: Section 1;

USDA Statistical Reporting Service: Section 2;

New Mexico Energy and Minerals Dept., Oil and Gas Conservation Division: Section 3;

New Mexico Taxation and Revenue Dept., Oil and Gas Accounting Division: Section 3;

U. S. Dept. of Energy, Energy Information Administration: Section 1;

U. S. Dept. of Commerce, Bureau of the Census: Section 4;

F. W. Dodge Company (a division of McGraw-Hill, Inc.): Section 4;

U. S. Federal Reserve: Section 8;

Federal Home Loan Bank of Dallas: Section 8;

New Mexico Natural Resources Dept., Parks and Recreation Division: Section 9;

U. S. National Park Service: Section 9;

City of Albuquerque, Albuquerque International Airport: Section 9;

New Mexico Dept. of Finance and Administration, Local Government Division: Section 9;

Parnell, Kerr and Forster: Section 9;

New Mexico Dept. of Finance and Administration: Section 10.

CITIES, COUNTIES AND FEATURES

GROSS RECEIPTS* FROM RETAIL TRADE
TOP 20 CITIES
(\$000)

	CURRENT 3 MONTH AVERAGE* OCT-DEC -----	% CHANGE AVERAGE YEAR AGO -----	PREVIOUS 3 MONTH AVERAGE* JUL-SEP -----
Alamogordo	\$ 13,464	+3.0	\$ 13,758
Albuquerque	211,182	+2.1	221,614
Artesia	4,628	+22.7	5,076
Carlsbad	13,379	+0.5	12,517
Clovis	15,434	0.7	16,603
Deming	4,709	10.1	4,642
Espanola	7,180	0.0	7,636
Farmington	25,674	+15.8	25,990
Gallup	21,244	+5.5	22,041
Hobbs	14,547	+29.3	15,659
Las Cruces	33,713	-2.8	32,131
Las Vegas	5,683	1.0	5,822
Los Alamos	6,091	0.7	6,230
Lovington	3,166	+22.0	3,322
Portales	6,482	12.2	6,458
Roswell	18,442	1.7	18,943
Ruidoso	4,970	+6.1	7,235
Santa Fe	44,976	+2.6	49,715
Silver City	6,958	-9.4	6,817
Taos	6,650	+4.2	7,731
State total	607,523	+5.1	626,246

* Gross receipts reported are for gross receipts tax purposes, which do not include all the receipts of all firms.

* Averages are used to smooth out fluctuations in the data, which are not caused by changes in economic conditions.

Source: New Mexico Taxation and Revenue Department.

NEW MEXICO CONSTRUCTION
SELECTED CITIES

	NUMBER OF BUILDING UNITS OR PERMITS *				VALUE OF BUILDING PERMITS (\$000)			
	DEC. 86	DEC. 85	CUMULATIVE TOTAL THROUGH DEC. 86	DEC. 85	DEC. 86	DEC. 85	CUMULATIVE TOTAL THROUGH DEC. 86	DEC. 85
RESIDENTIAL**								
Alamogordo	19	19	301	250	\$ 871	\$ 870	\$ 11,513	\$ 11,253
Albuquerque	151	241	5,209	5,088	10,797	11,770	234,447	208,578
Carlsbad	4	2	82	76	378	151	4,375	3,817
Clovis	10	8	157	146	699	372	9,061	7,847
Farmington	4	8	93	135	228	240	4,035	4,816
Hobbs	2	1	34	35	101	95	1,672	2,186
Las Cruces	25	168	554	726	1,449	4,472	27,234	29,182
Los Alamos	10	7	82	112	1,005	802	9,632	12,226
Rio Rancho***	62	74	1,240	1,326	3,370	3,514	63,491	73,369
Roswell	5	5	102	102	211	423	4,235	5,712
Ruidoso	2	6	180	134	197	458	7,898	10,230
Santa Fe	62	20	635	597	2,862	1,274	29,769	27,056
NONRESIDENTIAL*								
Alamogordo	7	14	99	115	450	311	2,637	2,246
Albuquerque	1	6	46	226	1,100	6,152	64,060	131,091
Carlsbad	4	2	104	148	21	5	2,015	2,508
Clovis	1	3	49	37	175	594	3,943	5,416
Farmington	1	2	28	38	3	135	4,459	3,516
Hobbs	0	3	13	16	0	303	1,921	2,120
Las Cruces	12	3	184	156	193	292	14,008	18,678
Los Alamos	1	1	76	35	3	0	4,237	156
Rio Rancho***	8	1	39	33	1,148	55	12,823	9,681
Roswell	6	6	113	124	5	47	1,677	1,540
Ruidoso	1	4	13	36	56	268	1,484	6,367
Santa Fe	12	14	87	188	3,933	177	16,099	35,611

Note: Top twelve cities chosen on basis of residential construction activity during the period 1982 through 1984. 1985 data is revised.

* Residential data shows the number of permitted units, while nonresidential data shows the number of permits.

** Residential data includes both single and multi family units.

*** AMREP Southwest, Inc. reported Rio Rancho data.

Sources: AMREP Southwest, Inc.; Rio Rancho only;
U. S. Department of Commerce, Bureau of the Census; all others.

CITIES, COUNTIES AND FEATURES (continued)

ESTIMATED CIVILIAN LABOR FORCE AND EMPLOYMENT
(000)

	NEW MEXICO			ALBUQUERQUE MSA*			LAS CRUCES MSA**			SANTA FE MSA***		
	DEC. p	% CHANGE YEAR AGO	NOV. r	DEC. p	% CHANGE YEAR AGO	NOV. r	DEC. p	% CHANGE YEAR AGO	NOV. r	DEC. p	% CHANGE YEAR AGO	NOV. r
TOTAL CIVILIAN LABOR FORCE	679.0	3.0	681.6	259.3	4.7	258.6	56.6	7.5	58.0	64.7	4.2	64.9
Employment@	616.0	2.2	619.4	242.5	4.6	241.6	52.8	8.2	54.1	61.0	3.4	61.3
Unemployment	63.0	11.0	62.3	16.7	5.1	17.0	3.7	-5.1	3.9	3.7	19.4	3.6
Unemployment rate (%)	9.3	8.2	9.1	6.5	1.6	6.6	6.6	-9.5	6.8	5.7	14.0	5.5
NONAGRICULTURAL WAGE & SALARY EMPLOYMENT	535.3	0.3	533.1	230.5	2.0	229.6	42.6	7.9	42.0	53.8	2.7	53.8
Mining	14.7	-29.9	15.1	0.2	0.0	0.2	0.1	0.0	0.1	0.1	0.0	0.1
Contract construction	34.2	-7.0	35.5	16.8	-3.9	17.2	2.5	4.2	2.6	3.2	-5.8	3.3
Manufacturing	37.8	0.3	37.9	19.6	0.6	19.6	3.7	8.9	3.7	1.6	0.0	1.6
Durable goods	24.4	-0.8	24.5	14.1	0.8	14.1	1.6	14.3	1.6	1.0	0.0	1.0
Nondurable goods	13.4	2.3	13.4	5.5	0.0	5.5	2.1	5.0	2.1	0.6	0.0	0.6
Transportation & public utilities	29.6	-3.5	29.5	12.7	3.3	12.5	1.3	-7.1	1.3	1.2	-19.9	1.2
Trade	131.5	2.2	129.3	60.3	1.4	59.3	8.2	2.5	7.8	10.7	3.9	10.6
Wholesale	22.4	-3.0	22.5	14.1	-0.7	14.0	0.9	12.5	0.8	0.7	0.0	0.7
Retail	109.1	3.4	106.8	46.2	2.0	45.3	7.3	1.4	7.0	10.0	4.2	9.9
Finance, insurance, & real estate	27.0	2.7	26.9	14.5	2.2	14.5	1.6	0.0	1.6	2.1	10.6	2.1
Services	118.5	3.2	117.4	61.7	4.4	60.8	6.2	12.8	6.2	13.3	5.6	13.2
Government	142.0	3.2	141.5	44.7	1.9	45.5	19.0	11.2	18.7	21.6	2.9	21.7
Federal	29.6	-0.6	29.4	12.6	3.3	12.5	4.3	-4.4	4.3	1.5	0.0	1.6
State	52.3	4.2	53.1	12.7	-2.3	13.5	9.6	28.0	9.3	16.2	2.6	16.2
Local	60.1	4.4	59.0	19.4	3.8	19.5	5.1	0.0	5.1	3.9	5.5	3.9

* Not available, less than 50 jobs.

p Preliminary.

r Revised.

* Bernalillo County.

** Dona Ana County.

*** Santa Fe and Los Alamos Counties.

@ Includes labor disputes.

Source: New Mexico Employment Security Department.

QUARTERLY LODGERS TAX RECEIPTS--TOP TWENTY CITIES AND COUNTIES IN NEW MEXICO

	1985	1986	
City	3rd Quarter	3rd Quarter	% Change
Alamogordo	\$ 30,327	\$ 33,281	9.7
Albuquerque	974,848	999,192	2.5
Carlsbad	48,127	52,005	8.1
Clovis	33,234	31,984	-3.8
Farmington	49,922	25,187	-49.5
Gallup	91,042	104,175	14.4
Grants	28,682	28,336	-1.2
Las Cruces	68,144	78,094	14.6
Los Alamos	17,994	20,091	11.7
Raton	29,055	29,592	1.8
Red River	\$ 37,949	\$ 39,830	5.0
Roswell	45,380	30,502	-32.8
Ruidoso	60,054	58,708	-2.2
Santa Fe	265,204	376,882	42.1
Santa Fe County	32,891	43,690	32.8
Santa Rosa	22,167	22,152	-0.1
Socorro	17,920	16,002	-10.7
Taos	19,053	65,608	244.3
Taos County	18,393	16,817	-8.6
Tucumcari	57,181	60,233	5.3
New Mexico	\$2,074,351	\$2,262,009	9.0

* Much of the increase in Taos was attributable to collections of delinquent taxes, along with the opening of a new hotel.

Source: New Mexico Department of Finance and Administration, Local Government Division.

Bureau of Business and Economic Research

Institute for Applied Research Services
The University of New Mexico
Albuquerque, NM 87131
(505) 277-2216

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NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

Vol. 8 No. 2
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The Role of Federal Government Spending in the New Mexico Economy

The New Mexico economy is highly dependent upon federal spending, ranking fourth highest (behind only Alaska, Maryland, and Virginia) in total federal expenditures per capita and first in federal procurement per capita. This reliance upon federal spending should be viewed with some concern given the current federal budget deficit environment.

New Mexico's economy will be particularly vulnerable to cuts in federal spending or even to cuts in the rate of growth of federal spending. This important economic sector may cease to be a source of future growth for the state's economy in the near term. The recent layoff of 150 workers at Los Alamos National Laboratories and small cuts in personnel at the 1550th Air Force helicopter squadron at Kirtland Air Force Base portend the potential impact of budget deficit reduction actions.

Since the 1940's the federal government has played a major role in the development and expansion of the New Mexico economy. There are three Air Force bases within the state—Kirtland AFB in Albuquerque, Cannon AFB in Clovis and Holloman AFB in Alamogordo—as well as the Army's White Sands Missile Range and the U.S. Department of Energy's national laboratories at Los Alamos and Sandia in Albuquerque. Each is a significant employer in the local community. In addition, the U.S. Bureau of Indian Affairs, the Forest Service and the Bureau of Reclamation have a major presence in New Mexico.

New Mexico's economy is particularly dependent upon defense spending. Military activities, including the nuclear weapons and Star Wars research at the DOE laboratories, directly employed 52,086 workers with an annual payroll of \$1.46 billion during FY85. This included 16,753 uniformed military personnel, 12,489 federal civilian employees and 22,844 private contractor employees working on a military installation. These data were taken from the economic impact studies published by each military installation within the state.

The New Mexico Employment Security Department's nonagricultural employment data series does not include uniformed military personnel. If you add the 16,753 military personnel to the ESD total of 520,700 for 1985, then defense spending directly accounts for 9.7 percent of all jobs in New Mexico. The payroll of \$1.46 billion represents 15.1 percent of total wage and salary income in New Mexico. These defense jobs are not only numerous in New Mexico, but they are also high paying.

According to ESD data there were another 17,553 non-defense related federal civilian employees working in New

Mexico in 1985. These would include those who work for the Forest Service, the Post Office, the regional Social Security Administration office in Albuquerque, the Bureau of Indian Affairs, the Bureau of Reclamation and the Justice Department, among others. Adding these 17,553 non-defense jobs to the 52,086 defense-related jobs in New Mexico yields a total of 69,639 jobs supported directly by federal spending.

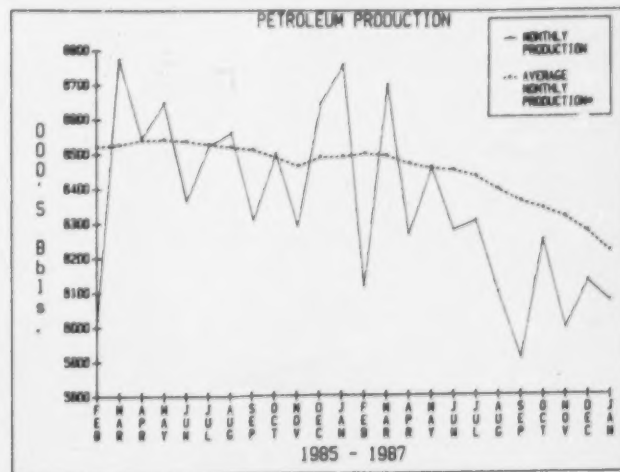
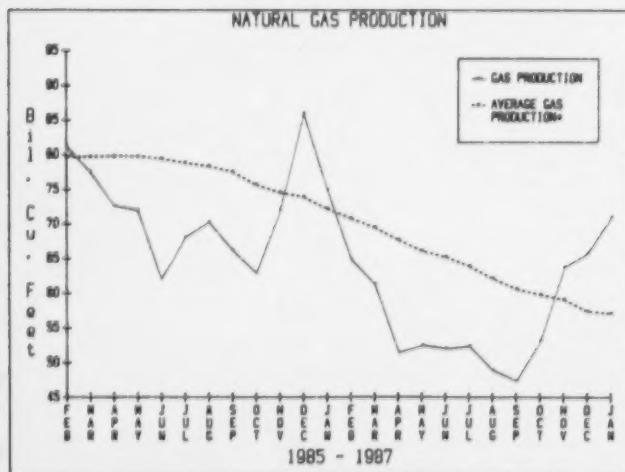
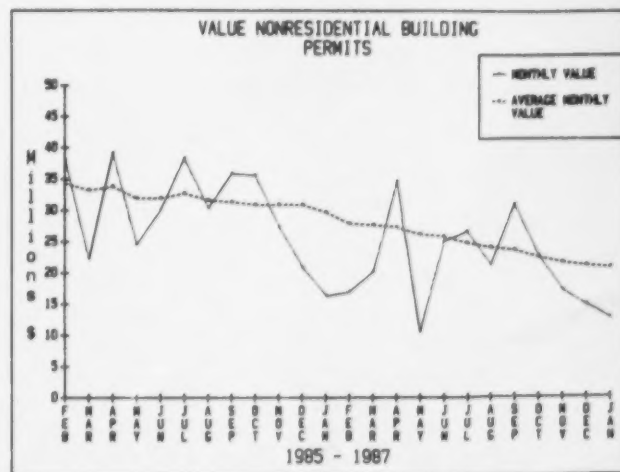
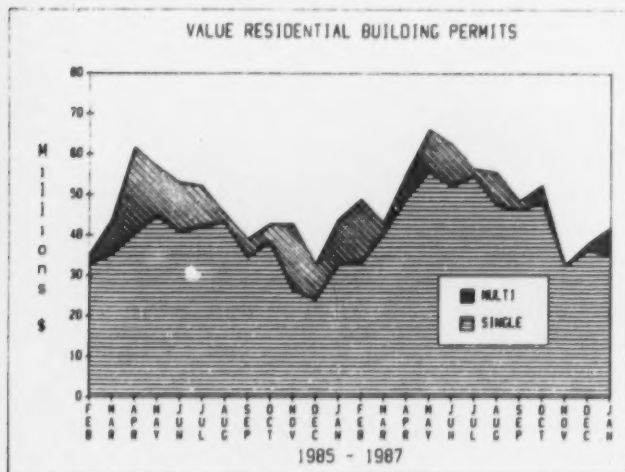
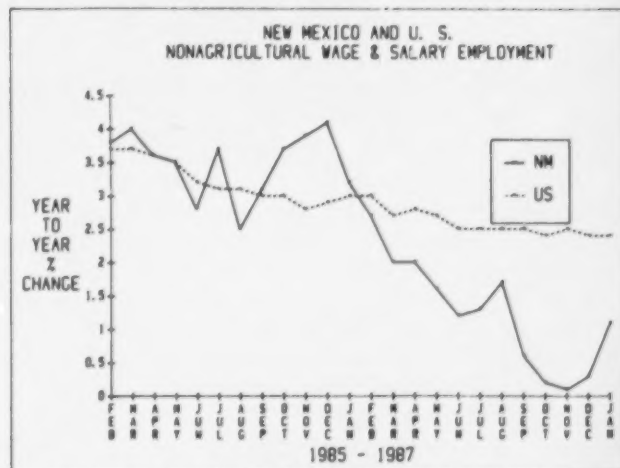
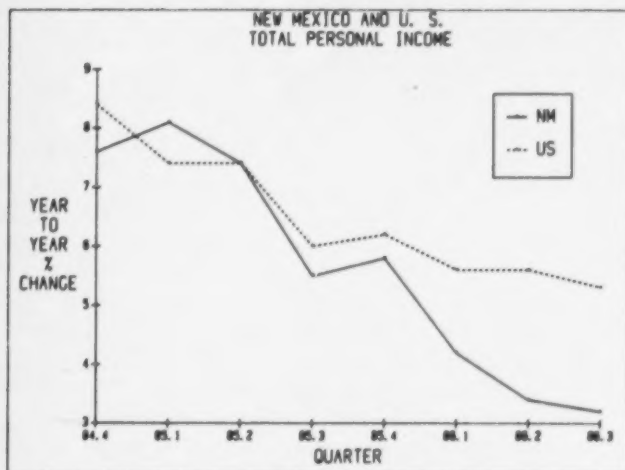
However, the federal spending story does not end there. Private sector employers such as Sperry Aerospace and BDM Corporation in Albuquerque and Hughes Aircraft in Las Cruces, located off of military installations, receive the majority of their revenues from federal government contracts. The state's military installations and the DOE laboratories also contribute to the state economy through local purchases of utilities, services and construction estimated at \$1.389 billion.

Using an estimation method documented in a UNM Bureau of Business and Economic Research study of the economic impact of the U.S. Department of Energy on the New Mexico economy, these local federal contracts supported another 12,500 jobs within the state. Totaling up all the different sources of federal spending which directly employed people in New Mexico, we have estimated that approximately 86,000 jobs can be directly attributed to federal spending in 1985. This represents 16.0 percent of total nonagricultural employment (including the uniformed military) within the state of New Mexico. If you apply a conservative employment multiplier of 2.5 to estimate the indirect employment effects, you are left with the conclusion that the federal government directly and indirectly accounts for almost 40.0 percent of the jobs in New Mexico.

Falling prices for oil and natural gas in 1986 brought hard times on the New Mexico oil and gas industry. These events focused sharp attention on the important role that the oil and gas industry plays in the New Mexico economy and the state's tax revenues. In 1985 oil and gas employment accounted for only 2.6 percent of the state's nonagricultural employment. In contrast, the federal government's importance to the New Mexico economy is six times that of the oil and gas industry, at least in terms of job creation. Within the national economic environment of \$200 billion budget deficits, the significant role played by the federal government in the New Mexico economy has important implications for the future growth prospects of the New Mexico economy.

Brian McDonald, Director

ECONOMIC TRENDS IN NEW MEXICO



*12 month moving average. For example, the point for August, 1986 represents an average of data from September, 1985 through August, 1986.

U.S. ECONOMIC INDICATORS

	CURRENT MO/QTR	DATA	% CHANGE YEAR AGO	PREVIOUS MO/ QTR DATA
Consumer price index				
All urban consumers (1967=100)				
All items	Jan 87	333.1	1.4	331.1
Food and beverages	Jan 87	320.5	4.1	317.0
Housing	Jan 87	363.9	2.0	362.1
Apparel and upkeep	Jan 87	207.1	1.0	210.9
Transportation	Jan 87	308.5	-4.8	304.8
Medical care	Jan 87	449.6	7.5	446.8
Entertainment	Jan 87	278.3	2.8	277.4
Other goods and services	Jan 87	358.1	5.6	355.2
Revised series, wage earners and clerical workers (1967=100)				
All items	Jan 87	327.7	1.0	325.7
Gross national product* (\$Bil. constant)				
	IV 86	3698.3	2.1	3686.4
Prime interest rate** (% per annum)	Feb 87	7.5	-21.0	7.5
Mortgage interest rate*** (% per annum)	Jan 87	9.5	-12.3	9.7
3 month treasury bill# (% per annum)	Feb 87	5.6	-20.4	5.4
Industrial production## (1977=100)	Jan 87	126.9	0.6	126.4
Manufacturers new orders## (\$Bil.)	Jan 87	194.5	-3.2	202.6

NEW MEXICO AND U.S. COMPARISONS

	NEW MEXICO				UNITED STATES		
	CURRENT MO/QTR	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA
Employment (000)	Jan 87	601.0	1.8	616.0	109,084	2.0	110,588
Unemployment rate (%)	Jan 87	9.8	5.4	9.3	7.3	0.0	6.3
Nonagricultural employment (000)	Jan 87	526.6	1.1	535.3	100,296	2.5	101,948
Personal income### (\$Mil.)	III 86	16,369	3.3	16,316	3,497,088	5.4	3,479,574
Housing units permitted							
Single	Jan 87	495	-5.7	556	61,822	-5.3	73,858
Multi	Jan 87	325	-52.4	58	36,350	-31.6	57,656

 Note: Selected data items subject to revision.

N Not available.

* 1982 dollars at seasonally adjusted annual rates.

** Closing rate for month.

*** Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years.

Rate on new issues within period; bank discount basis.

Monthly data seasonally adjusted.

Quarterly data seasonally adjusted at annual rates.

Sources: U. S. Department of Labor, News: CPI data;
 New Mexico Employment Security Department and U. S. Bureau of Labor Statistics: employment and unemployment data.
 U. S. Department of Commerce, Bureau of Economic Analysis: income data;
 U. S. Department of Commerce, Bureau of the Census: construction data.
 U. S. Council of Economic Advisors, Economic Indicators: all other data.

NEW MEXICO ECONOMIC INDICATORS

		CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE 12 MONTH AVERAGES
1. GENERAL					
Civilian labor force* (000)	Jan 87	666.4	2.4	679.0	4.6
Total employment* (000)	Jan 87	601.0	1.8	616.0	4.1
Unemployment* (000)	Jan 87	65.4	8.3	63.0	9.0
Unemployment rate (%)	Jan 87	9.8	5.4	9.3	4.5
Weekly new unemployment insurance claims	Jan 87	1962.0	-8.0	1800.0	18.4
Nonagricultural wage/salary employment** (000)	Jan 87	526.6	1.1	535.3	1.3
New business incorporations	Dec 86	295.0	26.7	177.0	-12.2
Personal income*** (\$ mil.)	III 86	16369.0	3.3	16316.0	4.2
2. AGRICULTURAL RECEIPTS					
Livestock and products (\$ mil.)	Nov 86	100.7	5.5	100.9	-1.5
Crops (\$ mil.)	Nov 86	43.3	-6.2	29.0	-17.2
Total (\$ mil.)	Nov 86	144.1	1.7	129.9	-6.8
3. MINING					
Employment** (000)	Jan 87	14.7	-26.8	14.7	-24.0
Average hourly earnings (\$)	Jan 87	12.15	-2.5	12.07	5.2
Petroleum production (000 bbls.)	Jan 87	6071.2	-10.1	6129.8	-4.3
Natural gas production (bil. cu. ft.)	Jan 87	71.1	-5.0	65.8	-20.9
Coal production (000 short tons)	Jan 87	1641.0	-16.1	1437.0	-6.1
Oil well completions&	Jan 87	41.0	-72.1	40.0	-45.1
Gas well completions&	Jan 87	20.0	-72.6	17.0	-61.6
Total footage drilled& (000)	Jan 87	386.6	-72.2	313.4	-49.5
Oil sales (\$ mil.)	Nov 86	73.9	-54.5	78.8	-40.9
Gas sales (\$ mil.)	Nov 86	86.4	-51.4	77.1	-42.6
4. CONSTRUCTION					
Employment** (000)	Jan 87	32.8	-2.9	34.2	-5.6
Average hourly earnings (\$)	Jan 87	10.91	4.7	11.11	3.1
Residential units permitted	Jan 87	820.0	-32.1	614.0	-7.8
Residential building permits (\$ mil.)	Jan 87	42.0	-4.7	38.1	9.3
Nonresidential building permits (\$ mil.)	Jan 87	12.4	-23.4	14.9	-30.5
Residential construction contracts (\$ mil.)	Jan 87	45.0	-20.7	35.6	-8.0
Nonresidential construction contracts (\$ mil.)	Jan 87	45.6	-13.7	26.9	-17.2
Nonbuilding construction contracts (\$ mil.)	Jan 87	43.8	268.1	38.5	5.4
5. TRANSPORTATION/COMMUNICATION/UTILITIES					
Employment** (000)	Jan 87	29.1	-1.6	29.6	-2.3
Average hourly earnings## (\$)	Jan 87	13.19	18.6	12.26	10.0
6. MANUFACTURING					
Employment** (000)	Jan 87	37.0	0.3	37.8	0.6
Average hourly earnings (\$)	Jan 87	8.95	4.6	9.06	4.6
Electric & electronic equipment employment** (000)	Jan 87	4.2	-12.4	4.3	-22.4
Transportation equipment employment** (000)	Jan 87	4.2	2.5	4.3	2.5
Food & kindred products employment** (000)	Jan 87	4.2	5.0	4.4	2.4
Textile & apparel employment** (000)	Jan 87	2.4	4.4	2.4	0.0
Lumber & wood products employment** (000)	Jan 87	2.7	3.9	2.8	3.9

NEW MEXICO ECONOMIC INDICATORS (continued)

		CURRENT MO/QTR	DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
7. TRADE						
Wholesale employment** (000)	Jan 87	22.4	-1.7	22.4	-2.1	
Retail employment** (000)	Jan 87	104.7	4.0	109.1	4.5	
Average hourly earnings (\$)	Jan 87	6.78	0.6	6.68	1.9	
8. FINANCE/INSURANCE/REAL ESTATE						
Employment** (000)	Jan 87	27.0	2.7	27.0	3.1	
Bank average hourly earnings (\$)	Jan 87	6.00	3.5	5.96	4.2	
Bank total assets (\$ mil.)	11 86	9515.6	3.7	9401.8	5.5	
Bank total deposits (\$mil.)	11 86	8195.7	3.1	8128.4	5.7	
Bank gross loans (\$ mil.)	11 86	5608.4	2.6	5565.8	5.5	
S & L total assets (\$ mil.)	Nov 86	5440.1	13.6	5529.0	15.3	
S & L total deposits (\$ mil.)	Nov 86	4429.1	9.0	4429.0	12.7	
S & L new mortgage loans closed&&& (\$ mil.)	Nov 86	116.7	15.0	178.3	11.3	
9. SERVICES AND TOURISM						
Total service employment** (000)	Jan 87	118.6	3.5	118.5	3.8	
Lodging employment** (000)	Jan 87	11.4	8.6	11.7	5.6	
Eating & drinking places employment** (000)	Jan 87	36.7	3.4	37.7	5.4	
Visits to state parks (000)	Dec 86	202.9	16.9	248.1	18.9	
Visits to national parks/monuments (000)	Jan 87	70.6	-10.7	70.3	10.5	
Passenger traffic at Albuquerque airport@ (000)	Jan 87	288.7	1.1	354.2	7.3	
Lodgers tax receipts (\$ 000)	111 86	2265.0	9.0	1715.7	N	
Lodging occupancy rates (%)	Jan 87	41.7	-6.9	42.8	-9.7	
10. GOVERNMENT						
Total government employment** (000)	Jan 87	140.3	3.1	142.0	3.6	
Federal employment** (000)	Jan 87	29.5	-0.6	29.6	0.0	
State employment** @@ (000)	Jan 87	50.6	4.2	52.3	7.0	
Local employment** (000)	Jan 87	60.2	4.2	60.1	2.9	
Total general fund revenues@@@ (\$ mil.)	Jan 87	103.8	-26.1	138.3	8.9	

Note: selected data items subject to revision.

Not available.

* Number of persons by place of residence.

** Number of jobs by place of work.

*** Quarterly data seasonally adjusted at annual rates.

& These include wells that are in the following categories: new drillings, deepened, plugged back, reentry and additional zone.

&& Oil and gas combined.

&&& New mortgage loans closed equals the previously carried item "Total loans closed" plus a relatively insignificant additional loan category.

For example, in the report that contained June 1985 figures this would be the percent change in the average of July 1983 to June 1984 data versus the average of July 1984 to June 1985 data.

Communications and utilities only.

@ Passenger traffic includes enplanements and deplanements.

@@ This figure includes full and part time employment at Los Alamos National Laboratories (LANL). Full time employment alone at LANL is 7,955 as of AUGUST 1986 according to U. S. Dept. of Energy, Public Affairs.

@@@ Includes recurring and non-recurring revenues.

Sources: New Mexico Employment Security Dept.: Sections 1, 3, 4, 5, 6, 7, 8, 9, 10;

Dun and Bradstreet, Inc.: Section 1;

U. S. Dept of Commerce, Bureau of Economic Analysis: Section 1;

USDA Statistical Reporting Service: Section 2;

New Mexico Energy and Minerals Dept., Oil and Gas Conservation Division: Section 3;

New Mexico Taxation and Revenue Dept., Oil and Gas Accounting Division: Section 3;

U. S. Dept. of Energy, Energy Information Administration: Section 3;

U. S. Dept. of Commerce, Bureau of the Census: Section 4;

F. W. Dodge Company (a division of McGraw Hill, Inc.): Section 4;

U. S. Federal Reserve: Section 8;

Federal Home Loan Bank of Dallas: Section 8;

New Mexico Natural Resources Dept., Parks and Recreation Division: Section 9;

U. S. National Park Service: Section 9;

City of Albuquerque, Albuquerque International Airport: Section 9;

New Mexico Dept. of Finance and Administration, Local Government Division: Section 9;

Parnell, Kerr and Forster: Section 9;

New Mexico Dept. of Finance and Administration: Section 10.

CITIES, COUNTIES AND FEATURES

GROSS RECEIPTS# FROM RETAIL TRADE
TOP 20 CITIES
(\$000)

	CURRENT 3 MONTH AVERAGE* NOV-JAN -----	% CHANGE AVERAGE YEAR AGO -----	PREVIOUS 3 MONTH AVERAGE* AUG-OCT -----
Alamogordo	\$ 13,464	-3.0	\$ 13,758
Albuquerque	231,182	-2.1	221,614
Artesia	4,628	-22.7	5,076
Carlsbad	13,379	-0.5	12,517
Clovis	15,434	0.7	16,603
Deming	4,709	10.1	4,642
Espanola	7,180	0.0	7,636
Farmington	25,674	-15.8	25,990
Gallup	21,244	-5.5	22,041
Hobbs	14,547	-29.3	15,659
Las Cruces	33,713	2.8	32,131
Las Vegas	5,683	1.0	5,822
Los Alamos	6,091	0.7	6,230
Lovington	3,166	-22.0	3,322
Portales	6,482	12.2	6,458
Roswell	18,442	1.7	18,943
Ruidoso	4,970	-6.1	7,235
Santa Fe	44,976	-2.6	49,715
Silver City	6,958	-9.4	6,817
Taos	6,650	-4.2	7,731
State total	607,523	-5.1	626,246

Gross receipts reported are for gross receipts tax purposes, which do not include all the receipts of all firms.

* Averages are used to smooth out fluctuations in the data, which are not caused by changes in economic conditions.

Source: New Mexico Taxation and Revenue Department.

NEW MEXICO CONSTRUCTION
SELECTED CITIES

	NUMBER OF BUILDING UNITS OR PERMITS *				VALUE OF BUILDING PERMITS (\$000)			
	JAN. 87	JAN. 86	CUMULATIVE TOTAL THROUGH JAN. 87	JAN. 86	JAN. 87	JAN. 86	CUMULATIVE TOTAL THROUGH JAN. 87	JAN. 86
RESIDENTIAL**								
Alamogordo	25	20	25	20	\$ 1,063	\$ 995	\$ 1,063	\$ 995
Albuquerque	308	772	308	772	14,436	20,873	14,436	20,873
Carlsbad	3	4	3	4	141	195	141	195
Clovis	9	6	9	6	492	351	492	351
Farmington	8	11	8	11	447	420	447	420
Hobbs	0	1	0	1	0	102	0	102
Las Cruces	200	44	200	44	5,153	2,487	5,153	2,487
Los Alamos	7	0	7	0	2,270	0	2,270	0
Rio Rancho***	102	96	102	96	6,177	4,572	6,177	4,572
Roswell	4	8	4	8	206	215	206	215
Ruidoso	1	76	1	76	66	2,713	66	2,713
Santa Fe	12	20	12	20	931	1,184	931	1,184
NONRESIDENTIAL*								
Alamogordo	2	6	2	6	13	32	13	32
Albuquerque	14	6	14	6	7,315	6,826	7,315	6,826
Carlsbad	0	6	0	6	0	44	0	44
Clovis	6	6	6	6	342	305	342	305
Farmington	2	1	2	1	207	60	207	60
Hobbs	0	6	0	6	0	716	0	716
Las Cruces	14	14	14	14	263	1,661	263	1,661
Los Alamos	0	1	0	1	0	1	0	1
Rio Rancho***	3	1	3	1	485	190	485	190
Roswell	4	9	4	9	10	47	10	47
Ruidoso	1	0	1	0	32	0	32	0
Santa Fe	4	0	4	0	715	0	715	0

Note: Top twelve cities chosen on basis of residential construction activity during the period 1982 through 1984. r 1985 data is revised.

* Residential data shows the number of permitted units, while nonresidential data shows the number of permits.

** Residential data includes both single and multi family units.

*** AMREP Southwest, Inc. reported Rio Rancho data.

Sources: AMREP Southwest, Inc.: Rio Rancho only;
U. S. Department of Commerce, Bureau of the Census: all others.

CITIES, COUNTIES AND FEATURES (continued)

ESTIMATED CIVILIAN LABOR FORCE AND EMPLOYMENT
(000)

	NEW MEXICO			ALBUQUERQUE MSA*			LAS CRUCES MSA**			SANTA FE MSA***		
	JAN. p	% CHANGE YEAR AGO DEC. r		JAN. p	% CHANGE YEAR AGO DEC. r		JAN. p	% CHANGE YEAR AGO DEC. r		JAN. p	% CHANGE YEAR AGO DEC. r	
TOTAL CIVILIAN LABOR FORCE	666.4	2.4	679.0	254.9	3.8	259.2	55.0	6.2	56.6	62.9	2.3	64.7
Employment@	601.0	1.8	616.0	238.0	3.8	242.5	51.1	7.2	52.8	59.0	1.9	61.0
Unemployment	65.4	8.3	63.0	16.9	3.7	16.7	3.9	-4.8	3.7	3.8	5.6	3.7
Unemployment rate (%)	9.8	5.4	9.3	6.6	0.0	6.4	7.0	-11.3	6.6	6.1	3.4	5.7
NONAGRICULTURAL WAGE & SALARY EMPLOYMENT	526.6	1.1	535.3	226.6	2.1	230.5	41.4	7.3	41.9	53.2	3.6	54.0
Mining	14.7	-26.8	14.7	0.2	0.0	0.2	0.1	0.0	0.1	0.1	-49.9	0.1
Contract construction	32.8	-2.9	34.2	16.4	0.7	16.8	2.5	8.7	2.5	3.1	0.0	3.2
Manufacturing	37.0	0.3	37.8	19.3	0.6	19.6	3.2	6.7	3.3	1.6	0.0	1.6
Durable goods	23.8	-1.6	24.4	13.9	0.8	14.1	1.2	9.1	1.2	1.0	0.0	1.0
Nondurable goods	13.2	4.0	13.4	5.4	0.0	5.5	2.0	5.3	2.1	0.6	0.0	0.6
Transportation & public utilities	29.1	-1.6	29.6	12.5	2.5	12.7	1.4	7.7	1.4	1.2	-7.6	1.2
Trade	127.1	3.0	131.5	58.4	2.9	60.3	7.9	4.0	8.1	10.4	6.2	10.9
Wholesale	22.4	-1.7	22.4	14.1	0.0	14.1	0.9	0.0	0.9	0.7	0.0	0.7
Retail	104.7	4.0	109.1	44.3	3.8	46.2	7.0	4.5	7.2	9.7	6.6	10.2
Finance, insurance, & real estate	27.0	2.7	27.0	14.6	5.1	14.5	1.6	0.0	1.6	2.1	5.0	2.1
Services	118.6	3.5	118.5	61.3	3.2	61.7	6.1	9.0	6.1	13.1	4.8	13.4
Government	140.3	3.1	142.0	43.9	-0.4	44.7	18.9	9.9	19.0	21.6	2.4	21.6
Federal	29.5	-0.6	29.6	12.8	1.6	12.6	4.3	-2.2	4.3	1.5	0.0	1.5
State	50.6	4.2	52.3	11.2	-12.4	12.7	9.6	24.7	9.6	16.3	2.6	16.2
Local	60.2	4.2	60.1	19.9	6.5	19.4	5.0	-1.9	5.1	3.8	2.8	3.9

N Not available, less than 50 jobs.
p Preliminary.
r Revised.

* Bernalillo County.
** Dona Ana County.
*** Santa Fe and Los Alamos Counties.
@ Includes labor disputes.

Source: New Mexico Employment Security Department.

FARM EMPLOYMENT IN NEW MEXICO COUNTIES - 1984*

County	Total Employment	Farm Employment	Farm as % of Total	County	Total Employment	Farm Employment	Farm as % of Total
Bernalillo	248,576	632	0.3	McKinley	17,867	211	1.2
Catron	992	320	32.3	Mora	1,126	373	33.1
Chaves	25,109	1,657	6.6	Otero	23,934	500	2.1
Cibola	5,481	267	4.9	Quay	5,254	949	18.1
Colfax	7,003	505	7.2	Rio Arriba	9,635	861	8.9
Curry	20,154	1,163	5.8	Roosevelt	6,890	1,501	21.8
De Baca	1,011	290	28.7	Sandoval	7,603	396	5.2
Dona Ana	46,021	2,746	6.0	San Juan	35,138	602	1.7
Eddy	22,004	903	4.1	San Miguel	8,242	718	8.7
Grant	10,180	346	3.4	Santa Fe	42,523	314	0.7
Guadalupe	1,902	412	21.7	Sierra	2,627	395	15.0
Harding	621	312	50.2	Socorro	5,200	553	10.6
Hidalgo	2,570	372	14.5	Taos	9,239	345	3.7
Lea	30,786	946	3.1	Torrance	2,372	547	23.1
Lincoln	7,128	502	7.0	Union	2,847	756	26.6
Los Alamos	15,311	L	NA	Valencia	9,797	745	7.6
Luna	5,266	574	10.9				
STATE TOTAL					640,409	21,713	3.4

* Full- and part- time wage, salary and proprietor jobs.
L Less than 10 jobs.
NA Not applicable.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, 1986 releases.

Bureau of Business and Economic Research
Institute for Applied Research Services
The University of New Mexico
Albuquerque, NM 87131
(505) 277-2216

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NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

Vol. 8 No. 3
April 1987

Current Economic Developments in New Mexico

The U.S. economy is in transition. After a sluggish 1.1 percent increase in real GNP in the fourth quarter of 1986, exports and inventory rebuilding are now fueling renewed growth, while consumer and government spending take a backseat. Saddled with high debt, low savings rates and slowing personal income growth, consumers have recently retrenched. Federal spending is also restrained by budget deficit reduction actions, while business investment remains weak. For the first time in many years the U.S. is producing more than it consumes.

Rising energy, commodity and import prices have spooked the financial markets, sending some long-term government bond interest rates up 100 basis points in less than a month's time. Stock market indexes have been quite volatile lately, but the overall trend has been downward. Rising concern has focused on the threat of renewed inflation and the impact of higher interest rates on the sustainability of the economic expansion.

Here in New Mexico during 1986 the state economy was battered by massive layoffs in the oil industry, the closing of the molybdenum mine in Taos county and the end of a three year construction boom. Recent data now indicate that the worst may well be over. In the fourth quarter of 1986 New Mexico nonagricultural employment levels had shown virtually no change compared to a year earlier. In February, 1987, however, nonagricultural employment within the state has resumed growth, increasing 1.3 percent.

The biggest turnaround has come in the state's construction sector, which last year lost over 2,000 jobs. In February New Mexico construction employment increased a slight 0.4 percent over year ago levels. While nonresidential construction is still weak, single family housing and nonbuilding projects such as the Paseo del Norte bridge in Albuquerque, the Brantley Dam near Carlsbad and the \$120 million Albuquerque airport expansion are sustaining construction activity. Mining employment fell 22.6 percent in February, but this sector which has lost almost one-half of its jobs since 1981 now exerts less of a drag on the overall state economy.

Despite the hard economic times in 1986, the New Mexico economy still experienced a respectable 1.4 percent increase in total nonagricultural employment during 1986, thanks in large part to continued growth in the state's large trade, services and government sectors. While this employment growth was below the U.S. average growth of 2.6 percent, New Mexico during 1986 fared far better than her neighboring states, which were also impacted severely by the sharp declines in oil and gas activity. Texas, Oklahoma, Louisiana and Wyoming all suffered actual declines in total nonagricultural employ-

ment levels (see chart on page 8). By comparison, New Mexico added about 7,000 total new jobs in 1986. Since 1980 the New Mexico economy has outperformed the U.S. economy in terms of job creation, despite the fact that during this same time period New Mexico experienced the loss of one-half of its important extractive industry base. This is a remarkable testimony to the resiliency of the New Mexico economy.

New Mexico's unemployment rate still remains uncomfortably high at 9.8 percent in February. This represents 65,400 unemployed residents. State personal income growth has also slowed to a 2.0 percent annual pace in the fourth quarter of 1986, after having increased 6.7 percent in 1985. With the recent return of inflation to the 4.0 percent range there is now very little real increase in the purchasing power of personal income.

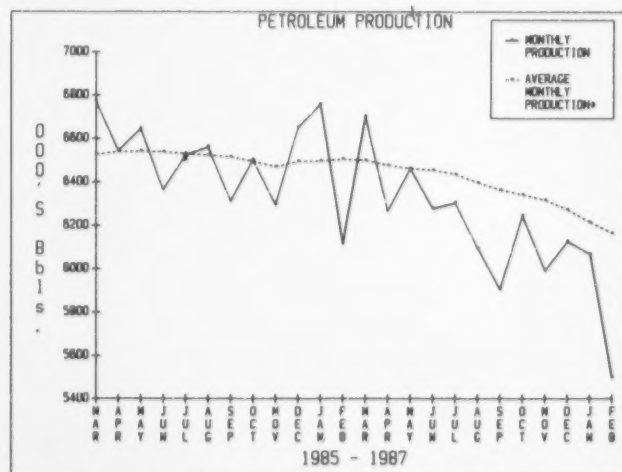
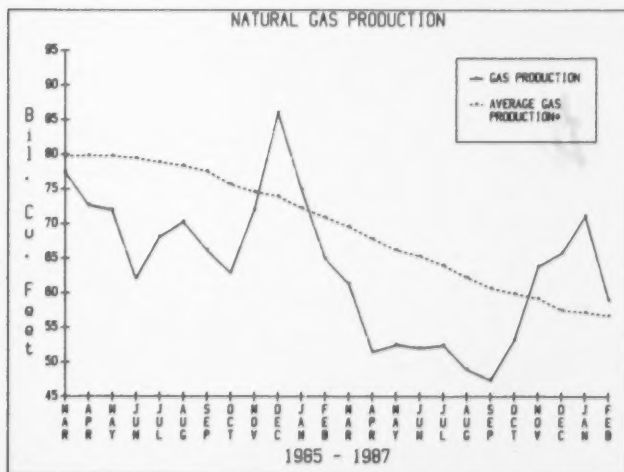
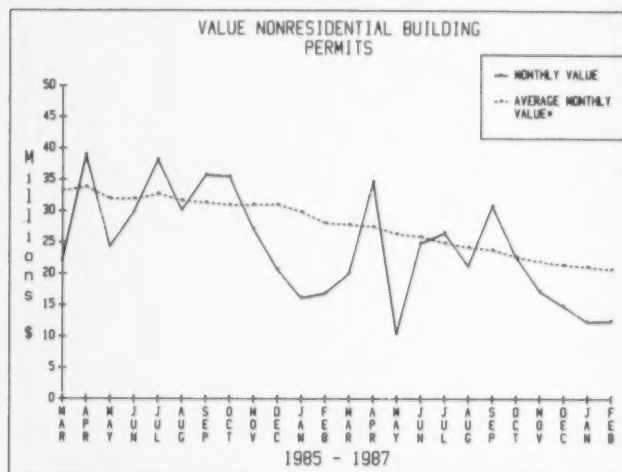
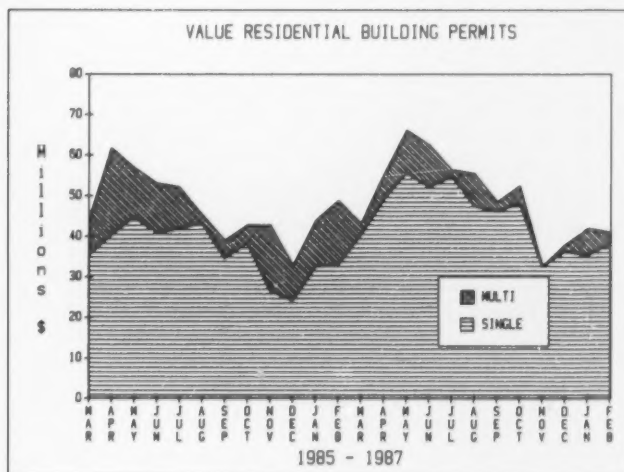
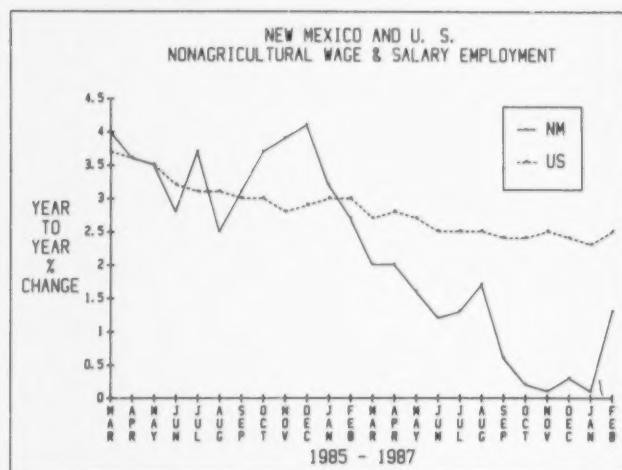
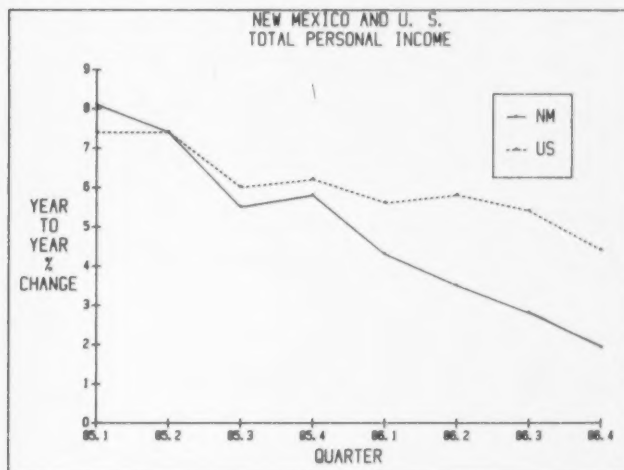
The trade and services sectors continue to sustain the New Mexico economy. In February retail trade employment increased 5.1 percent over year ago levels, while services employment increased 3.2 percent. Tourism and visitor indicators within New Mexico are positive. Visits to national parks and monuments within New Mexico are up 10.2 percent on a 12 month moving average basis, while passenger traffic at the Albuquerque International Airport is up 7.6 percent. Lodging employment increased 7.7 percent in February, led by the recent expansion of hotels and motels across New Mexico.

New Mexico manufacturing employment increased 1.4 percent in February. There have been recent bright spots for this sector. The Transportation Manufacturing Corporation, which manufactures buses and trailers in Roswell, announced a major expansion in Roswell associated with its recent acquisition of GMC's bus manufacturing division. The declining international value of the dollar has sparked increased demand for domestically produced clothing. Levi Strauss reports record shipments of jeans from their plants in Roswell and Albuquerque.

While the New Mexico economy seems to have turned the corner, growth prospects still remain guarded. The state's large reliance upon federal spending within the present environment of federal budget deficit reductions will make it difficult for federal spending to be much of a source of growth in the near term for the state's economy. Little recovery is foreseen for the state's battered extractive industries. And the fast growing trade and services sectors should expect less growth ahead as real income growth slows and consumers, overloaded with debt, retrench.

Brian McDonald
Director

ECONOMIC TRENDS IN NEW MEXICO



*12 month moving average. For example, the point for August, 1986 represents an average of data from September, 1985 through August, 1986.

U.S. ECONOMIC INDICATORS

	CURRENT MO/QTR	DATA	% CHANGE YEAR AGO	PREVIOUS MO/ QTR DATA
Consumer price index				
All urban consumers (1967=100)				
All items	Feb 87	334.4	2.1	333.1
Food and beverages	Feb 87	321.6	4.5	320.5
Housing	Feb 87	365.1	2.4	363.9
Apparel and upkeep	Feb 87	208.4	2.1	207.1
Transportation	Feb 87	310.0	-2.9	308.5
Medical care	Feb 87	452.4	7.1	449.6
Entertainment	Feb 87	278.7	2.5	278.3
Other goods and services	Feb 87	359.7	5.7	358.1
Revised series, wage earners and clerical workers (1967=100)				
All items	Feb 87	329.0	1.8	327.7
Gross national product* (\$Bil. constant)				
	IV 86	3696.1	2.1	3686.4
Prime interest rate** (% per annum)	Feb 87	7.5	-21.0	7.5
Mortgage interest rate*** (% per annum)	Feb 87	9.3	-13.3	9.5
3 month treasury bill# (% per annum)	Feb 87	5.6	-20.4	5.4
Industrial production## (1977=100)	Feb 87	127.3	1.6	126.8
Manufacturers new orders### (\$Bil.)	Feb 87	194.6	2.0	186.6

NEW MEXICO AND U.S. COMPARISONS

	NEW MEXICO				UNITED STATES		
	CURRENT MO/QTR	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA
Employment (000)	Feb 87	604.0	1.9	598.6	109,464	2.7	109,084
Unemployment rate (%)	Feb 87	9.8	5.4	9.9	7.2	-7.6	7.3
Nonagricultural employment (000)	Feb 87	527.6	1.3	523.9	100,610	2.6	100,200
Personal income### (\$Mil.)	IV 86	16,421	2.0	16,296	3,529,745	4.5	3,498,710
Housing units permitted							
Single	Feb 87	551	3.2	495	68,963	13.8	61,822
Multi	Feb 87	89	-87.2	325	31,529	-34.8	36,350

 Note: Selected data items subject to revision.

N Not available.

* 1982 dollars at seasonally adjusted annual rates.

** Closing rate for month.

*** Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years.

Rate on new issues within period; bank discount basis.

Monthly data seasonally adjusted.

Quarterly data seasonally adjusted at annual rates.

Sources: U. S. Department of Labor, News: CPI data;
 New Mexico Employment Security Department and U. S. Bureau of Labor Statistics: employment and unemployment data.

U. S. Department of Commerce, Bureau of Economic Analysis: income data;

U. S. Department of Commerce, Bureau of the Census: construction data.

U. S. Council of Economic Advisors, Economic Indicators: all other data.

NEW MEXICO ECONOMIC INDICATORS

		CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
1. GENERAL					
Civilian labor force* (000)	Feb 87	669.4	2.5	664.3	4.4
Total employment* (000)	Feb 87	604.0	1.9	598.6	3.9
Unemployment* (000)	Feb 87	65.4	8.1	65.7	9.4
Unemployment rate (%)	Feb 87	9.8	5.4	9.9	4.5
Weekly new unemployment insurance claims	Feb 87	1613.0	-4.6	1962.0	17.2
Nonagricultural wage/salary employment** (000)	Feb 87	527.6	1.3	523.9	1.1
New business incorporations	Jan 87	215.0	-32.6	295.0	-18.0
Personal income*** (\$ mil.)	IV 86	16421.0	2.0	16296.0	3.2
2. AGRICULTURAL RECEIPTS					
Livestock and products (\$ mil.)	Jan 87	72.6	6.2	39.6	0.0
Crops (\$ mil.)	Jan 87	17.7	-24.0	31.2	-17.8
Total (\$ mil.)	Jan 87	90.2	-1.6	70.8	-6.1
3. MINING					
Employment** (000)	Feb 87	14.7	-22.6	14.7	-24.7
Average hourly earnings (\$)	Feb 87	11.45	-6.9	12.37	4.5
Petroleum production (000 bbls.)	Feb 87	5500.7	-10.0	6071.2	-5.2
Natural gas production (bil. cu. ft.)	Feb 87	58.9	-9.2	71.1	-20.1
Coal production (000 short tons)	Feb 87	1468.0	-17.9	1641.0	-7.9
Oil well completions&	Feb 87	38.0	-64.4	41.0	-51.8
Gas well completions&	Feb 87	21.0	-73.0	20.0	-69.5
Total footage drilled&& (000)	Feb 87	345.2	-70.6	386.6	-57.1
Oil sales (\$ mil.)	Dec 86	81.0	-53.6	73.9	-45.7
Gas sales (\$ mil.)	Dec 86	95.5	-52.4	86.4	-46.2
4. CONSTRUCTION					
Employment** (000)	Feb 87	32.8	0.4	33.0	-5.3
Average hourly earnings (\$)	Feb 87	10.77	-4.9	10.84	2.1
Residential units permitted	Feb 87	640.0	-48.0	820.0	-16.7
Residential building permits (\$ mil.)	Feb 87	41.0	-15.9	42.0	5.3
Nonresidential building permits (\$ mil.)	Feb 87	12.5	-26.0	12.4	-27.4
Residential construction contracts (\$ mil.)	Feb 87	46.9	-23.7	45.0	-6.6
Nonresidential construction contracts (\$ mil.)	Feb 87	47.5	46.2	35.9	-14.5
Nonbuilding construction contracts (\$ mil.)	Feb 87	14.3	-64.4	43.8	-5.6
5. TRANSPORTATION/COMMUNICATION/UTILITIES					
Employment** (000)	Feb 87	29.0	-1.6	28.7	-2.3
Average hourly earnings### (\$)	Feb 87	13.56	20.6	13.16	11.3
6. MANUFACTURING					
Employment** (000)	Feb 87	37.1	1.4	37.1	0.9
Average hourly earnings (\$)	Feb 87	8.39	-2.3	8.61	3.7
Electric & electronic equipment employment** (000)	Feb 87	4.3	-8.5	4.3	-19.6
Transportation equipment employment** (000)	Feb 87	4.2	5.0	4.2	2.5
Food & kindred products employment** (000)	Feb 87	4.1	7.9	4.2	2.4
Textile & apparel employment** (000)	Feb 87	2.4	0.0	2.4	0.0
Lumber & wood products employment** (000)	Feb 87	2.6	4.0	2.6	3.9

NEW MEXICO ECONOMIC INDICATORS (continued)

	CURRENT MO/QTR	DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
7. TRADE					
Wholesale employment** (000)	Feb 87	22.3	-1.7	22.2	-2.1
Retail employment** (000)	Feb 87	104.8	5.1	105.5	4.5
Average hourly earnings (\$)	Feb 87	6.87	0.0	6.61	1.6
8. FINANCE/INSURANCE/REAL ESTATE					
Employment** (000)	Feb 87	26.9	2.7	27.0	3.1
Bank average hourly earnings (\$)	Feb 87	5.97	4.4	5.98	4.1
Bank total assets (\$ mil.)	III 86	9512.4	3.2	9515.6	4.9
Bank total deposits (\$mil.)	III 86	8220.9	2.8	8195.7	4.4
Bank gross loans (\$ mil.)	III 86	5539.2	0.1	5608.4	3.6
S & L total assets (\$ mil.)	Feb 87	5663.0	10.1	5659.1	14.6
S & L total deposits (\$ mil.)	Feb 87	4569.3	7.5	4524.5	10.6
S & L new mortgage loans closed&&& (\$ mil.)	Feb 87	124.3	42.6	111.9	27.1
9. SERVICES AND TOURISM					
Total service employment** (000)	Feb 87	119.2	3.2	118.5	3.5
Lodging employment** (000)	Feb 87	11.3	7.7	11.4	6.5
Eating & drinking places employment** (000)	Feb 87	37.0	3.7	37.0	5.3
Visits to state parks (000)	Dec 86	202.9	16.9	248.1	18.9
Visits to national parks/monuments (000)	Feb 87	72.5	-1.0	70.6	10.2
Passenger traffic at Albuquerque airport@ (000)	Feb 87	292.7	11.0	288.7	7.6
Lodgers tax receipts (\$ 000)	IV 86	1792.2	3.3	2265.0	N
Lodging occupancy rates (%)	Feb 87	49.9	2.7	41.7	-7.8
10. GOVERNMENT					
Total government employment** (000)	Feb 87	140.8	1.3	137.2	3.3
Federal employment** (000)	Feb 87	29.9	0.7	29.7	0.0
State employment** @@ (000)	Feb 87	51.4	1.0	48.7	6.1
Local employment** (000)	Feb 87	59.5	1.9	58.8	2.7
Total general fund revenues@@@ (\$ mil.)	Feb 87	93.4	-10.4	103.8	7.7

Note: selected data items subject to revision.

N Not available.

* Number of persons by place of residence.

** Number of jobs by place of work.

*** Quarterly data seasonally adjusted at annual rates.

& These include wells that are in the following categories: new drillings, deepened, plugged back, reentry and additional zone.

&& Oil and gas combined.

&&& New mortgage loans closed equals the previously carried item "Total loans closed" plus a relatively insignificant additional loan category.

For example, in the report that contained June 1985 figures this would be the percent change in the average of July 1983 to June 1984 data versus the average of July 1984 to June 1985 data.

Communications and utilities only.

@ Passenger traffic includes enplanements and deplanements.

@@ This figure includes full and part time employment at Los Alamos National Laboratories (LANL). Full time employment alone at LANL is 7,955 as of AUGUST 1986 according to U. S. Dept. of Energy, Public Affairs.

@@@ Includes recurring and non-recurring revenues.

Sources: New Mexico Employment Security Dept.: Sections 1, 3, 4, 5, 6, 7, 8, 9, 10;

Dun and Bradstreet, Inc.: Section 1;

U. S. Dept. of Commerce, Bureau of Economic Analysis: Section 1;

USDA Statistical Reporting Service: Section 2;

New Mexico Energy and Minerals Dept., Oil and Gas Conservation Division: Section 3;

New Mexico Taxation and Revenue Dept., Oil and Gas Accounting Division: Section 3;

U. S. Dept. of Energy, Energy Information Administration: Section 3;

U. S. Dept. of Commerce, Bureau of the Census: Section 4;

F. W. Dodge Company (a division of McGraw Hill, Inc.): Section 4;

U. S. Federal Reserve: Section 8;

Federal Home Loan Bank of Dallas: Section 8;

New Mexico Natural Resources Dept., Parks and Recreation Division: Section 9;

U. S. National Park Service: Section 9;

City of Albuquerque, Albuquerque International Airport: Section 9;

New Mexico Dept. of Finance and Administration, Local Government Division: Section 9;

Parnell, Kerr and Forster: Section 9;

New Mexico Dept. of Finance and Administration: Section 10.

CITIES, COUNTIES AND FEATURES

GROSS RECEIPTS# FROM RETAIL TRADE
TOP 20 CITIES
(\$000)

	CURRENT 3 MONTH AVERAGE* DEC-FEB -----	% CHANGE AVERAGE YEAR AGO -----	PREVIOUS 3 MONTH AVERAGE* SEP-NOV -----
Alamogordo	\$ 14,629	-3.1	\$ 13,324
Albuquerque	244,430	-4.0	223,401
Artesia	5,111	-23.8	4,902
Carlsbad	14,378	-2.5	12,000
Clovis	17,276	-3.4	16,109
Deming	5,120	7.3	4,635
Espanola	7,336	-6.0	7,419
Farmington	28,019	-18.6	25,270
Gallup	22,395	-3.1	21,967
Hobbs	16,355	-26.1	15,022
Las Cruces	36,767	0.6	37,460
Las Vegas	6,070	-3.4	5,657
Los Alamos	6,240	-2.5	6,107
Lovington	3,375	-25.4	3,238
Portales	6,729	11.9	6,504
Roswell	19,638	-4.3	18,824
Ruidoso	5,393	-2.2	6,728
Santa Fe	48,978	-2.2	49,090
Silver City	7,521	-12.5	6,666
Taos	6,480	-11.5	7,777
State total	645,053	-5.9	608,305

Gross receipts reported are for gross receipts tax purposes, which do not include all the receipts of all firms.

* Averages are used to smooth out fluctuations in the data, which are not caused by changes in economic conditions.

Source: New Mexico Taxation and Revenue Department.

NEW MEXICO CONSTRUCTION
SELECTED CITIES

	NUMBER OF BUILDING UNITS OR PERMITS *				VALUE OF BUILDING PERMITS (\$000)			
	FEB. 87	FEB. 86	CUMULATIVE TOTAL THROUGH FEB. 87	FEB. 86	FEB. 87	FEB. 86	CUMULATIVE TOTAL THROUGH FEB. 87	FEB. 86
RESIDENTIAL**								
Alamogordo	21	34	46	54	\$ 1,038	\$ 1,675	\$ 2,101	\$ 2,671
Albuquerque	255	783	563	1,555	16,676	25,531	31,112	46,405
Carlsbad	12	4	15	8	674	213	815	407
Clovis	6	12	15	18	618	647	1,110	999
Farmington	4	7	12	18	163	267	610	687
Hobbs	4	8	4	9	317	363	317	465
Las Cruces	77	79	277	123	3,750	3,218	8,903	5,705
Los Alamos	5	5	12	5	289	455	2,589	455
Rio Rancho***	109	117	211	213	6,789	4,682	12,966	9,255
Roswell	8	7	12	15	506	242	712	457
Ruidoso	1	2	2	78	61	110	127	2,823
Santa Fe	17	17	29	37	1,246	1,546	2,176	2,730
NONRESIDENTIAL*								
Alamogordo	6	8	8	14	141	36	154	69
Albuquerque	3	6	17	12	5,029	3,482	12,344	10,308
Carlsbad	3	8	3	14	13	191	13	235
Clovis	1	1	7	7	22	34	364	339
Farmington	1	1	3	2	70	107	277	167
Hobbs	2	0	2	6	52	0	52	716
Las Cruces	10	14	24	28	1,487	849	1,750	2,510
Los Alamos	2	9	2	10	6	2,526	6	2,526
Rio Rancho***	2	2	5	3	23	518	508	708
Roswell	5	2	9	11	5	1	15	48
Ruidoso	0	1	1	1	0	1,147	32	1,147
Santa Fe	1	7	5	7	750	481	1,465	481

Note: Top twelve cities chosen on basis of residential construction activity during the period 1982 through 1984.
r 1985 data is revised.

* Residential data shows the number of permitted units, while nonresidential data shows the number of permits.

** Residential data includes both single and multi family units.

*** AMREP Southwest, Inc. reported Rio Rancho data.

Sources: AMREP Southwest, Inc.; Rio Rancho only;
U. S. Department of Commerce, Bureau of the Census: all others.

CITIES, COUNTIES AND FEATURES (continued)

ESTIMATED CIVILIAN LABOR FORCE AND EMPLOYMENT
(000)

	NEW MEXICO			ALBUQUERQUE MSA*			LAS CRUCES MSA**			SANTA FE MSA***		
	FEB. p	% CHANGE YEAR AGO	JAN. r	FEB. p	% CHANGE YEAR AGO	JAN. r	FEB. p	% CHANGE YEAR AGO	JAN. r	FEB. p	% CHANGE YEAR AGO	JAN. r
TOTAL CIVILIAN LABOR FORCE	669.4	2.5	664.3	256.4	3.8	255.1	55.1	5.2	53.3	63.2	3.7	62.9
Employment@	604.0	1.9	598.6	239.9	3.6	237.9	51.0	5.6	49.3	59.2	3.4	59.0
Unemployment	65.4	8.1	65.7	16.4	5.9	17.2	4.1	0.0	3.9	4.1	13.9	3.9
Unemployment rate (%)	9.8	5.4	9.9	6.4	1.6	6.7	7.4	-5.1	7.4	6.4	6.7	6.2
NONAGRICULTURAL WAGE & SALARY EMPLOYMENT	527.6	1.3	523.9	228.1	2.3	226.5	40.8	4.4	39.9	53.2	4.4	53.2
Mining	14.7	-22.6	14.7	0.2	0.0	0.2	0.1	0.0	0.1	0.1	-49.9	0.1
Contract construction	32.8	0.4	33.0	16.3	3.2	16.4	2.7	8.0	2.6	3.1	10.8	3.2
Manufacturing	37.1	1.4	37.1	19.3	0.0	19.3	3.1	0.0	3.2	1.6	0.0	1.6
Durable goods	24.0	0.0	23.9	13.9	0.8	13.9	1.2	0.0	1.2	1.0	0.0	1.0
Nondurable goods	13.1	4.0	13.2	5.4	-1.8	5.4	1.9	0.0	2.0	0.6	0.0	0.6
Transportation & public utilities	29.0	-1.6	28.7	12.5	1.7	12.5	1.4	7.7	1.4	1.2	-14.2	1.2
Trade	127.1	3.8	127.7	58.2	3.2	58.6	7.7	1.4	7.8	10.5	9.4	10.5
Wholesale	22.3	-1.7	22.2	14.1	0.0	14.0	0.9	0.0	0.9	0.7	0.0	0.7
Retail	104.8	5.1	105.5	44.1	4.3	44.6	6.9	1.5	7.0	9.8	10.2	9.8
Finance, insurance, & real estate	26.9	2.7	27.0	14.5	4.4	14.6	1.6	0.0	1.6	2.1	5.0	2.1
Services	119.2	3.2	118.5	62.5	4.4	61.7	6.1	9.0	6.1	13.1	4.0	13.1
Government	140.8	1.3	137.2	44.6	-1.5	43.2	18.3	5.2	17.3	21.6	2.4	21.5
Federal	29.9	0.7	29.7	12.8	0.8	12.7	4.3	-2.2	4.4	1.5	0.0	1.5
State	51.4	1.0	48.7	12.3	-10.2	11.2	8.9	12.7	7.8	16.3	2.6	16.3
Local	59.5	1.9	58.8	19.5	3.2	19.3	5.1	0.0	5.1	3.8	2.8	3.7

N Not available, less than 50 jobs.
p Preliminary.
r Revised.

* Bernalillo County.
** Dona Ana County.
*** Santa Fe and Los Alamos Counties.
@ Includes labor disputes.

Source: New Mexico Employment Security Department.

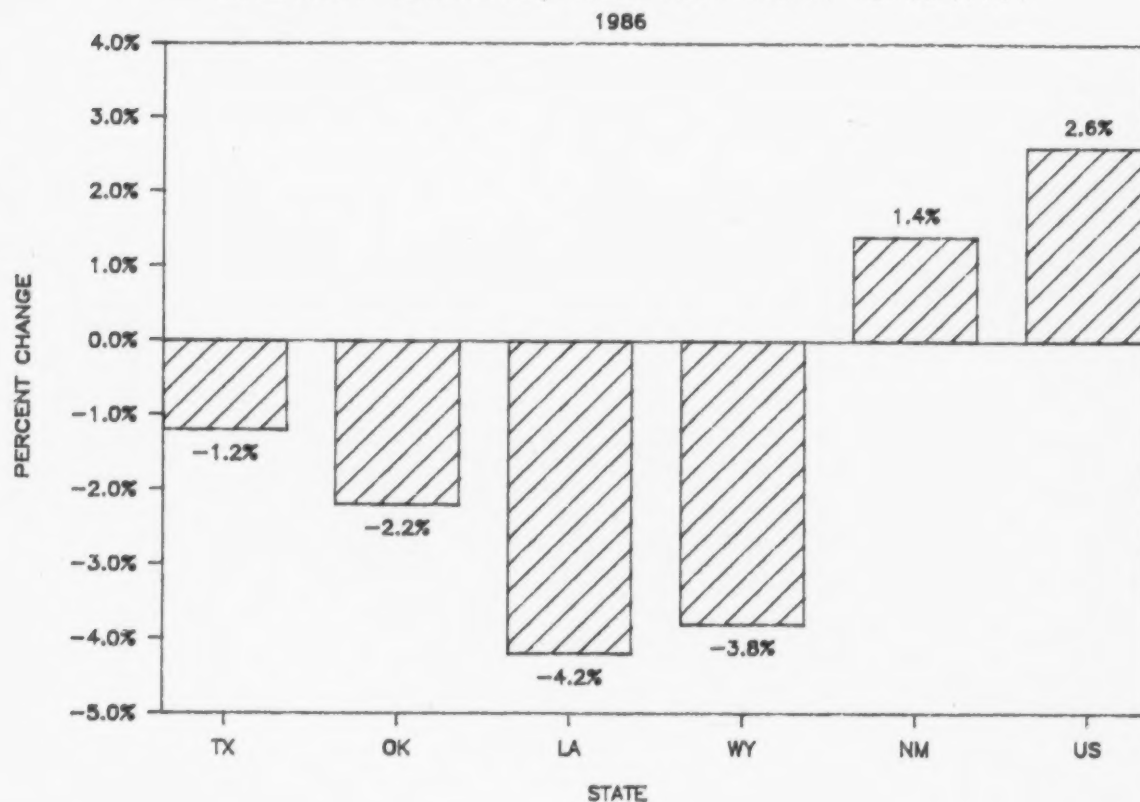
NUMBER OF BUSINESS ESTABLISHMENTS BY COUNTY*

County	1985	% Change Year Ago	1984	County	1985	% Change Year Ago	1984
Bernalillo	12,507	4.2	12,003	McKinley	915	2.5	893
Catron	42	16.7	36	Mora	42	7.7	39
Chaves	1,540	-1.0	1,556	Otero	915	0.5	910
Cibola	359	-0.8	362	Quay	289	-2.4	296
Colfax	491	-0.4	493	Rio Arriba	467	3.5	451
Curry	1,070	3.2	1,037	Roosevelt	343	1.8	337
De Baca	61	-11.6	69	Sandoval	667	20.0	556
Dona Ana	2,172	3.7	2,094	San Juan	1,954	1.5	1,926
Eddy	1,404	-0.6	1,413	San Miguel	407	5.2	387
Grant	586	7.9	543	Santa Fe	2,944	4.5	2,818
Guadalupe	105	-6.3	112	Sierra	212	2.9	206
Harding	24	0.0	24	Socorro	233	-3.3	241
Hidalgo	113	6.6	106	Taos	686	1.0	679
Lea	1,762	-3.6	1,828	Torrance	152	4.1	146
Lincoln	556	-3.1	574	Union	138	-8.6	151
Los Alamos	402	7.8	373	Valencia	597	5.3	567
Luna	313	-3.4	324	Unallocated County	143	2.9	139
STATE TOTAL					34,611	2.7	33,689

* Excludes government, railroad employees, and self employed. Establishments are defined as a physical location where business is conducted.

Source: U.S. Department of Commerce, Bureau of the Census, County Business Patterns.

ENERGY STATES, EMPLOYMENT GROWTH



Bureau of Business and Economic Research
 Institute for Applied Research Services
 The University of New Mexico
 Albuquerque, NM 87131
 (505) 277-2216

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NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

Vol. 8 No. 4
May 1987

Developing Data Bases: Census Update

April 1, 1990 is less than 3 years away, and plans are being finalized for the next decennial census. Although some questions remain unresolved, what is known now about the 1990 census portends a significant expansion of the detailed, local area information that is only available from a decennial census. The standard, state and county data bases simply do not enable profiling the communities in the sparsely populated rural areas or discerning differential trends within metropolitan areas. It is the subcounty area detail that reveals the differences between Corrales and Rio Rancho or depicts the more rapid growth of areas outside Las Cruces relative to the city's population growth. The array of small area statistics from the decennial census is especially useful in New Mexico. And each phase of the 1990 census—from data collection through tabulation and report—will deliver more data for small areas.

Data collection and tabulation will enhance the availability, and the reliability, of small area data through a new, automated geographic data base and a proposed alternative technique for avoiding the disclosure of personal, confidential information. The Census Bureau's revolutionary geographic data base, the TIGER system, provides the base for blocking the entire nation and integrates each of the geographic operations necessary to a census. Blocking the country will expand greatly the number of areas for which data are reported. Previously, only the metropolitan areas and select cities were blocked. Rural areas and smaller cities were represented by expansive enumeration districts that obscured small area detail. Reducing the base geographic area to blocks (which may be defined as closed polygons in rural areas) will provide more information about the distribution and characteristics of the population outside metropolitan areas. Integrating the geographic operations from previously separate, step-by-step functions of linking addresses, geographic locations, and census areas will improve the accuracy of geocoding and tabulating data for all the new blocks.

Of course, many of the additional blocks in sparsely populated areas will have no population, or populations that are too small to escape suppression. In 1980, the Census Bureau used complementary suppression as their disclosure avoidance technique. This method of protecting confidentiality suppressed data for everyone in an area if there was a possibility of obtaining personal information for a small minority by subtracting data for the majority population from totals.

To avoid suppressing so much data, another technique is being considered for 1990—random rounding. This method obscures personal data in small areas by introducing controlled

rounding. For example, a multiple of a common base like 3 would be added to the tabulations. Data for smaller areas will not sum precisely to totals for larger geographic areas, but more information can be reported via random rounding. A final decision between random rounding and complementary suppression has not been made yet; however, at this point, random rounding appears to be the more likely procedure to be adopted for disclosure avoidance.

Changes in the questionnaire do not represent an expansion per se in the data collection. In fact, an effort is made to avoid increasing the length of the questionnaire and therefore, the burden on the respondent. Topics that are added to the questions are generally balanced by cuts. However, it is useful to review some of the proposed changes in the 1990 questionnaire.

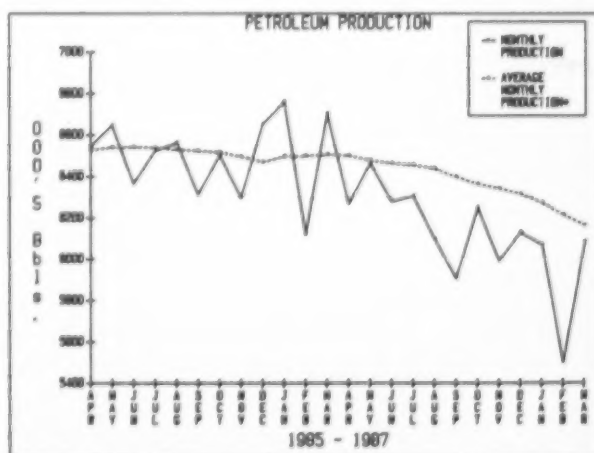
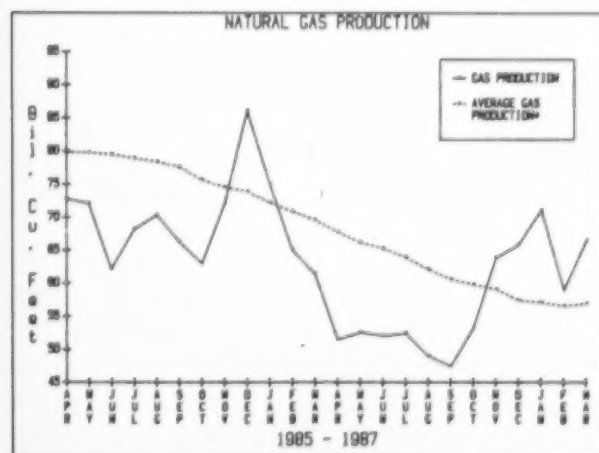
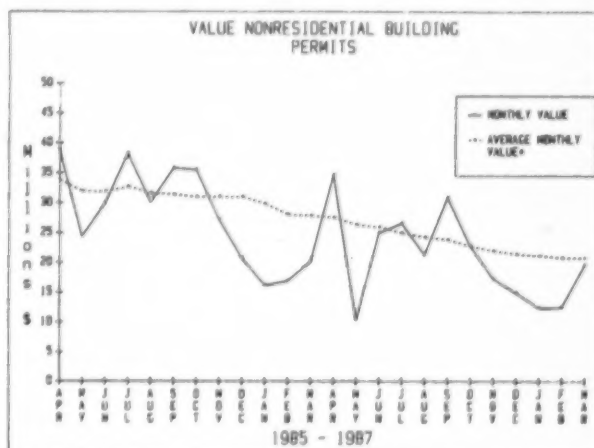
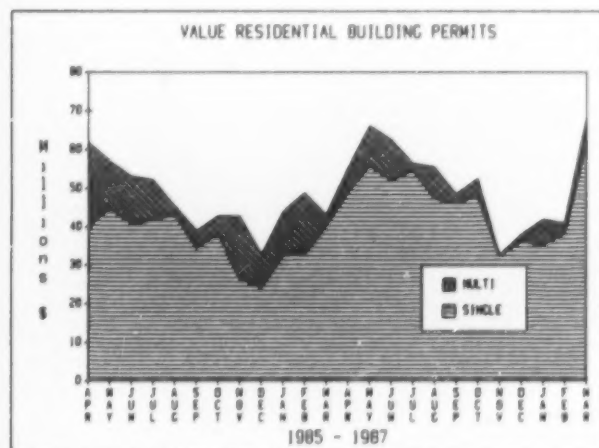
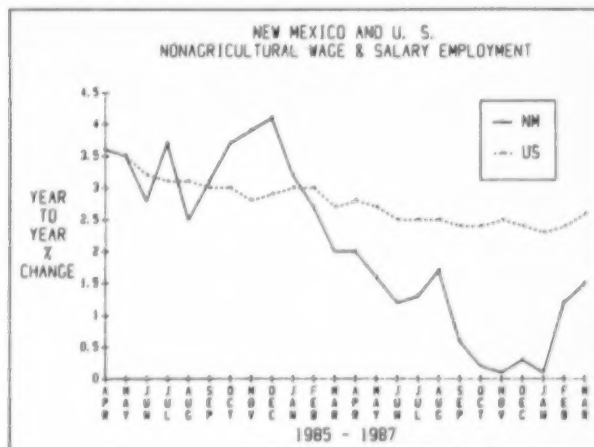
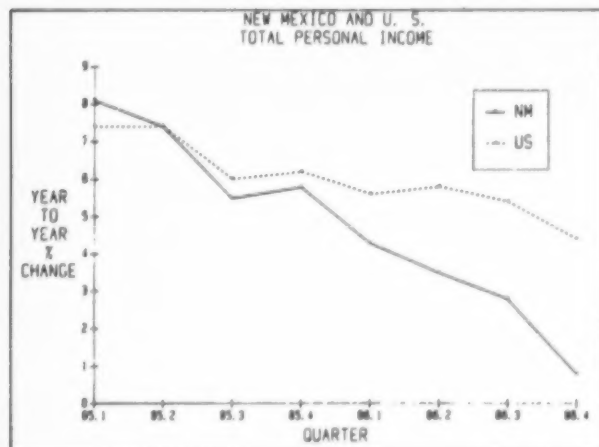
The two questions that created the most confusion in 1980 census data for New Mexico, race and Spanish origin, are likely to continue that confusion in 1990. Simplification of the race question has been proposed through a combination of all the Asian/Pacific Islander groups. This change does not address the problem that persons of Spanish origin had in 1980 with race categories and the tendency to select "other races." A combination race/Spanish origin question and sequencing of the separate questions have been tested, but neither alternative fared well in the tests. Solution to the problem that New Mexicans had with the categories of Spanish origin that were offered in 1980 (Mexican American, Cuban, Puerto Rican, and "other") has not been found yet either. Nationally, a simple yes/no question tested well, but not in Los Angeles, where problems with the Mexican-American category persisted. Testing on this question continues.

Other changes in population questions include revision of the question on education to determine degrees received rather than just numbers of years in college or post-secondary education; limitation of the question on disability to persons aged 18 years and over; and addition of information on pension income and departure time for work. Items deleted from the population questions include marital history, car pooling, transportation-related disability, weeks looking for work, and activity 5 years prior to the census. A question on health insurance coverage was also considered, but dropped at the last minute.

Additions to the housing information include a complete-count question on units in structure, a question on congregate housing (meals included in rent), extensions of the questions on home heating devices and fuel and water heating to offer

(Continued on page 7)

ECONOMIC TRENDS IN NEW MEXICO



*12 month moving average. For example, the point for August, 1986 represents an average of data from September, 1985 through August, 1986.

U.S. ECONOMIC INDICATORS

		CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/ QTR DATA
Consumer price index				
All urban consumers (1967=100)				
All items	Mar 87	335.9	3.0	334.4
Food and beverages	Mar 87	321.6	4.5	321.6
Housing	Mar 87	366.4	2.6	365.1
Apparel and upkeep	Mar 87	215.2	4.3	208.4
Transportation	Mar 87	310.6	0.3	310.0
Medical care	Mar 87	455.0	6.9	452.4
Entertainment	Mar 87	279.8	2.9	278.7
Other goods and services	Mar 87	360.3	5.6	359.7
Revised series, wage earners and clerical workers (1967=100)				
All items	Mar 87	330.5	2.8	329.0
Gross national product* (\$Bil. constant)				
I 87		3735.2	2.2	3696.1
Prime interest rate** (% per annum)	Mar 87	7.5	-16.6	7.5
Mortgage interest rate*** (% per annum)	Mar 87	9.1	-12.8	9.2
3 month treasury bill# (% per annum)	Mar 87	5.6	-15.6	5.6
Industrial production## (1977=100)	Mar 87	126.7	2.6	127.1
Manufacturers new orders### (\$Bil.)	Mar 87	198.9	5.3	194.3

NEW MEXICO AND U.S. COMPARISONS

		NEW MEXICO			UNITED STATES		
	CURRENT MO/QTR	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA
Employment (000)	Mar 87	612.4	2.4	604.2	110,229	2.5	109,464
Unemployment rate (%)	Mar 87	9.2	-2.1	9.6	6.9	-7.9	7.2
Nonagricultural employment (000)	Mar 87	531.2	1.6	527.3	101,148	2.6	100,500
Personal income### (\$Mil.)	IV 86	16,421	2.0	16,296	3,529,745	4.5	3,498,710
Housing units permitted							
Single	Mar 87	918	48.4	551	102,957	14.8	68,963
Multi	Mar 87	233	150.6	89	49,166	-20.5	31,529

 Note: Selected data items subject to revision.

N Not available.

* 1982 dollars at seasonally adjusted annual rates.

** Closing rate for month.

*** Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years.

Rate on new issues within period; bank discount basis.

Monthly data seasonally adjusted.

Quarterly data seasonally adjusted at annual rates.

Sources: U. S. Department of Labor, News: CPI data;
 New Mexico Employment Security Department and U. S. Bureau of Labor Statistics: employment and unemployment data.

U. S. Department of Commerce, Bureau of Economic Analysis: income data;

U. S. Department of Commerce, Bureau of the Census: construction data.

U. S. Council of Economic Advisors, Economic Indicators: all other data.

NEW MEXICO ECONOMIC INDICATORS

		CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
1. GENERAL					
Civilian labor force* (000)	Mar 87	674.6	2.2	668.7	4.2
Total employment* (000)	Mar 87	612.4	2.4	604.2	3.8
Unemployment* (000)	Mar 87	62.2	0.4	64.5	8.5
Unemployment rate (%)	Mar 87	9.2	-2.1	9.6	4.5
Weekly new unemployment insurance claims	Mar 87	1439.0	-29.3	1613.0	10.2
Nonagricultural wage/salary employment** (000)	Mar 87	531.2	1.6	527.3	1.1
New business incorporations	Feb 87	188.0	1.1	215.0	-17.3
Personal income*** (\$ mil.)	IV 86	16421.0	2.0	16296.0	3.2
2. AGRICULTURAL RECEIPTS					
Livestock and products (\$ mil.)	Jan 87	72.6	6.2	39.6	0.0
Crops (\$ mil.)	Jan 87	17.7	-24.0	31.2	-17.8
Total (\$ mil.)	Jan 87	90.2	-1.6	70.8	-6.1
3. MINING					
Employment** (000)	Mar 87	14.7	-16.9	14.7	-25.1
Average hourly earnings (\$)	Mar 87	12.00	-4.6	12.12	4.2
Petroleum production (000 bbls.)	Mar 87	6087.8	-9.1	5500.7	-5.9
Natural gas production (bil. cu. ft.)	Mar 87	66.5	8.5	58.9	-17.9
Coal production (000 short tons)	Mar 87	950.0	-48.7	1468.0	-12.4
Oil well completions&	Mar 87	32.0	-44.8	38.0	-51.7
Gas well completions&	Mar 87	17.0	-34.6	21.0	-68.5
Total footage drilled&& (000)	Mar 87	368.0	-38.4	345.2	-56.9
Oil sales (\$ mil.)	Jan 87	93.2	-39.0	81.0	-48.4
Gas sales (\$ mil.)	Jan 87	106.5	-38.5	95.5	-47.7
4. CONSTRUCTION					
Employment** (000)	Mar 87	33.4	-2.3	32.6	-5.1
Average hourly earnings (\$)	Mar 87	10.58	-4.1	10.66	0.9
Residential units permitted	Mar 87	1151.0	61.7	640.0	-11.4
Residential building permits (\$ mil.)	Mar 87	67.7	56.4	41.0	9.8
Nonresidential building permits (\$ mil.)	Mar 87	19.6	-2.4	12.5	-27.1
Residential construction contracts (\$ mil.)	Mar 87	60.9	-6.8	46.9	-5.8
Nonresidential construction contracts (\$ mil.)	Mar 87	72.4	151.4	43.5	-7.5
Nonbuilding construction contracts (\$ mil.)	Mar 87	26.6	-20.3	14.3	-7.7
5. TRANSPORTATION/COMMUNICATION/UTILITIES					
Employment** (000)	Mar 87	28.9	-2.0	28.8	-2.6
Average hourly earnings## (\$)	Mar 87	13.58	15.3	13.56	12.2
6. MANUFACTURING					
Employment** (000)	Mar 87	37.1	1.7	37.0	0.9
Average hourly earnings (\$)	Mar 87	8.55	-2.7	8.67	3.1
Electric & electronic equipment employment** (000)	Mar 87	4.3	-6.5	4.4	-16.6
Transportation equipment employment** (000)	Mar 87	4.3	7.5	4.1	2.5
Food & kindred products employment** (000)	Mar 87	4.1	7.9	4.1	2.4
Textile & apparel employment** (000)	Mar 87	2.4	0.0	2.4	0.0
Lumber & wood products employment** (000)	Mar 87	2.6	8.4	2.6	3.9

NEW MEXICO ECONOMIC INDICATORS (continued)

		CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
7. TRADE					
Wholesale employment** (000)	Mar 87	22.4	-0.8	22.3	-2.1
Retail employment** (000)	Mar 87	103.9	3.5	103.8	4.3
Average hourly earnings (\$)	Mar 87	6.83	0.6	6.89	1.5
8. FINANCE/INSURANCE/REAL ESTATE					
Employment** (000)	Mar 87	27.0	2.3	26.9	2.7
Bank average hourly earnings (\$)	Mar 87	5.91	2.1	5.98	3.8
Bank total assets (\$ mil.)	III 86	9512.4	3.2	9515.6	4.9
Bank total deposits (\$mil.)	III 86	8220.9	2.8	8195.7	4.4
Bank gross loans (\$ mil.)	III 86	5539.2	0.1	5608.4	3.6
S & L total assets (\$ mil.)	Feb 87	5663.0	10.1	5659.1	14.2
S & L total deposits (\$ mil.)	Feb 87	4569.3	7.5	4524.5	10.6
S & L new mortgage loans closed ~~###~~ (\$ mil.)	Feb 87	124.3	42.6	111.9	7.6
9. SERVICES AND TOURISM					
Total service employment** (000)	Mar 87	121.1	4.4	119.9	3.5
Lodging employment** (000)	Mar 87	11.5	10.6	11.2	7.4
Eating & drinking places employment** (000)	Mar 87	37.0	2.5	36.8	5.0
Visits to state parks (000)	Dec 86	202.9	16.9	248.1	18.9
Visits to national parks/monuments (000)	Mar 87	147.6	-31.6	72.5	1.0
Passenger traffic at Albuquerque airport ~~0~~ (000)	Mar 87	370.6	5.9	292.7	7.6
Lodgers tax receipts (\$ 000)	IV 86	1792.2	3.3	2265.0	N
Lodging occupancy rates (%)	Mar 87	57.7	5.9	49.9	-5.7
10. GOVERNMENT					
Total government employment** (000)	Mar 87	142.7	2.0	141.3	3.2
Federal employment** (000)	Mar 87	30.5	2.1	30.2	0.4
State employment** ~~00~~ (000)	Mar 87	52.5	1.4	51.6	5.7
Local employment** (000)	Mar 87	59.7	2.5	59.5	2.7
Total general fund revenues ~~000~~ (\$ mil.)	Mar 87	128.2	-2.3	93.4	6.8

Note: selected data items subject to revision.

N Not available.

* Number of persons by place of residence.

** Number of jobs by place of work.

*** Quarterly data seasonally adjusted at annual rates.

~~#~~ These include wells that are in the following categories: new drillings, deepened, plugged back, reentry and additional zone.

~~##~~ Oil and gas combined.

~~###~~ New mortgage loans closed equals the previously carried item "Total loans closed" plus a relatively insignificant additional loan category.

For example, in the report that contained June 1985 figures this would be the percent change in the average of July 1983 to June 1984 data versus the average of July 1984 to June 1985 data.

Communications and utilities only.

~~0~~ Passenger traffic includes enplanements and deplanements.

~~00~~ This figure includes full and part time employment at Los Alamos National Laboratories (LANL). Full time employment alone at LANL is 7,955 as of AUGUST 1986 according to U. S. Dept. of Energy, Public Affairs.

~~000~~ Includes recurring and non-recurring revenues.

Sources: New Mexico Employment Security Dept.: Sections 1, 3, 4, 5, 6, 7, 8, 9, 10;

Dun and Bradstreet, Inc.: Section 1;

U. S. Dept. of Commerce, Bureau of Economic Analysis: Section 1;

USDA Statistical Reporting Service: Section 2;

New Mexico Energy and Minerals Dept., Oil and Gas Conservation Division: Section 3;

New Mexico Taxation and Revenue Dept., Oil and Gas Accounting Division: Section 3;

U. S. Dept. of Energy, Energy Information Administration: Section 3;

U. S. Dept. of Commerce, Bureau of the Census: Section 4;

F. W. Dodge Company (a division of McGraw Hill, Inc.): Section 4;

U. S. Federal Reserve: Section 8;

Federal Home Loan Bank of Dallas: Section 8;

New Mexico Natural Resources Dept., Parks and Recreation Division: Section 9;

U. S. National Park Service: Section 9;

City of Albuquerque, Albuquerque International Airport: Section 9;

New Mexico Dept. of Finance and Administration, Local Government Division: Section 9;

Parnell, Kerr and Forster: Section 9;

New Mexico Dept. of Finance and Administration: Section 10.

CITIES, COUNTIES AND FEATURES

GROSS RECEIPTS# FROM RETAIL TRADE
TOP 20 CITIES
(\$000)

	CURRENT 3 MONTH AVERAGE* JAN-MAR	% CHANGE AVERAGE YEAR AGO	PREVIOUS 3 MONTH AVERAGE* OCT-DEC
Alamogordo	\$ 14,742	5.7	\$ 13,464
Albuquerque	237,035	4.7	231,182
Artesia	5,281	-12.5	4,628
Carlsbad	11,975	-7.7	13,379
Clovis	16,366	-1.2	15,434
Deming	5,519	18.8	4,709
Espanola	6,897	2.5	7,180
Farmington	26,725	-12.2	25,674
Gallup	21,370	4.6	21,244
Hobbs	15,798	-22.0	14,547
Las Cruces	34,967	3.3	33,713
Las Vegas	5,982	1.8	5,683
Los Alamos	6,980	12.7	6,091
Grants	3,617	-12.1	3,617
Portales	6,840	32.3	6,482
Roswell	19,666	1.1	18,442
Ruidoso	6,143	26.9	4,970
Santa Fe	45,203	4.9	44,976
Silver City	7,514	8.3	6,958
Taos	7,078	10.9	6,650
State total	628,605	1.0	607,523

Gross receipts reported are for gross receipts tax purposes, which do not include all the receipts of all firms.

* Averages are used to smooth out fluctuations in the data, which are not caused by changes in economic conditions.

Note: Due to declining sales activity in Lovington, Grants now replaces Lovington in the top 20 cities.

Source: New Mexico Taxation and Revenue Department.

NEW MEXICO CONSTRUCTION
SELECTED CITIES

	NUMBER OF BUILDING UNITS OR PERMITS *				VALUE OF BUILDING PERMITS (\$000)			
	MARCH 87	MARCH 86	CUMULATIVE THROUGH 87	TOTAL MARCH 86	MARCH 87	MARCH 86	CUMULATIVE THROUGH 87	TOTAL MARCH 86
RESIDENTIAL**								
Alamogordo	33	23	79	77	\$ 1,375	\$ 795	\$ 3,475	\$ 3,465
Albuquerque	552	247	1,115	1,802	29,590	16,669	60,702	63,073
Carlsbad	6	9	21	17	402	372	1,217	779
Clovis	10	20	25	38	594	1,060	1,704	2,058
Farmington	12	6	24	24	733	192	1,343	879
Hobbs	5	0	9	9	261	0	578	465
Las Cruces	40	27	317	150	2,345	1,603	11,248	7,308
Los Alamos	10	3	22	8	1,630	415	4,189	870
Rio Rancho***	121	97	341	310	6,317	5,541	19,282	14,795
Roswell	9	13	21	28	491	672	1,203	1,128
Ruidoso	23	3	25	81	1,208	256	1,335	3,079
Santa Fe	19	37	48	74	1,588	2,441	3,764	5,171
NONRESIDENTIAL*								
Alamogordo	6	6	14	20	636	140	791	209
Albuquerque	4	4	21	16	4,889	3,950	17,233	14,258
Carlsbad	5	9	8	23	35	23	49	259
Clovis	1	9	8	16	1	1,120	365	1,459
Farmington	2	6	5	8	330	929	607	1,096
Hobbs	0	3	2	9	0	219	52	935
Las Cruces	20	20	44	48	4,405	1,996	6,155	4,506
Los Alamos	0	2	2	12	0	600	6	3,126
Rio Rancho***	5	7	10	10	935	2,869	1,443	3,577
Roswell	9	9	18	20	205	30	219	78
Ruidoso	0	4	1	5	0	67	32	1,214
Santa Fe	5	2	10	9	1,407	80	2,872	561

Note: Top twelve cities chosen on basis of residential construction activity during the period 1982 through 1984.
r 1985 data is revised.

* Residential data shows the number of permitted units, while nonresidential data shows the number of permits.

** Residential data includes both single and multi family units.

*** AMREP Southwest, Inc. reported Rio Rancho data.

Sources: AMREP Southwest, Inc.: Rio Rancho only;

U. S. Department of Commerce, Bureau of the Census: All others.

CITIES, COUNTIES AND FEATURES (continued)

ESTIMATED CIVILIAN LABOR FORCE AND EMPLOYMENT
(000)

	NEW MEXICO			ALBUQUERQUE MSA*			LAS CRUCES MSA**			SANTA FE MSA***		
	MARCHp	% CHANGE YEAR AGO	FEB. r	MARCHp	% CHANGE YEAR AGO	FEB. r	MARCHp	% CHANGE YEAR AGO	FEB. r	MARCHp	% CHANGE YEAR AGO	FEB. r
TOTAL CIVILIAN LABOR FORCE	674.6	2.2	668.7	259.2	3.9	256.8	55.8	5.3	54.7	64.6	5.4	63.4
Employment@	612.4	2.4	604.2	243.3	4.2	240.6	51.8	6.0	50.8	60.8	5.4	59.4
Unemployment	62.2	0.4	64.5	15.9	-0.6	16.2	4.0	-2.4	3.9	3.8	8.6	4.0
Unemployment rate (%)	9.2	-2.1	9.6	6.1	-4.6	6.3	7.2	-6.4	7.1	5.9	1.8	6.3
NONAGRICULTURAL WAGE & SALARY EMPLOYMENT	531.2	1.6	527.3	231.1	3.0	228.8	41.2	4.6	40.9	54.1	5.7	53.5
Mining	14.7	-16.9	14.7	0.2	0.0	0.2	0.1	0.0	0.1	0.1	-49.9	0.1
Contract construction	33.4	-2.3	32.6	16.9	5.0	16.3	2.7	3.9	2.6	3.1	10.8	3.1
Manufacturing	37.1	1.7	37.0	19.3	0.0	19.3	3.1	0.0	3.1	1.6	0.0	1.6
Durable goods	24.1	0.5	24.0	13.9	0.0	13.9	1.2	0.0	1.2	1.0	0.0	1.0
Nondurable goods	13.0	4.0	13.0	5.4	0.0	5.4	1.9	0.0	1.9	0.6	0.0	0.6
Transportation & public utilities	28.9	-2.0	28.8	12.5	2.5	12.4	1.4	0.0	1.4	1.2	-7.6	1.2
Trade	126.3	2.7	126.1	58.5	3.4	58.4	7.6	1.4	7.7	10.4	8.4	10.5
Wholesale	22.4	-0.8	22.3	14.2	0.8	14.1	0.8	-11.1	0.9	0.7	0.0	0.7
Retail	103.9	3.5	103.8	44.3	4.3	44.3	6.8	1.5	6.9	9.7	9.0	9.8
Finance, insurance, & real estate	27.0	2.3	26.9	14.6	4.3	14.4	1.6	0.0	1.6	2.2	10.0	2.1
Services	121.1	4.4	119.9	63.3	4.7	62.9	6.1	9.0	6.1	13.5	5.5	13.2
Government	142.7	2.0	141.3	45.8	0.7	44.9	18.7	5.7	18.5	22.0	4.3	21.8
Federal	30.5	2.1	30.2	13.2	4.0	13.1	4.4	-2.2	4.3	1.5	0.0	1.5
State	52.5	1.4	51.6	13.0	-5.1	12.3	9.1	12.4	9.0	16.5	3.8	16.3
Local	59.7	2.5	59.5	19.6	2.7	19.5	5.2	2.0	5.2	4.0	8.2	4.0

N Not available, less than 50 jobs.
p Preliminary.
r Revised.

* Bernalillo County.
** Dona Ana County.
*** Santa Fe and Los Alamos Counties.
@ Includes labor disputes.

Source: New Mexico Employment Security Department.

Developing Data Bases . . .

(Continued from page 1)

solar as a category, and increases in the upper limit of home value and rent to \$500,000 and over and \$1,000, respectively. Topics that have been cut include number of units at address, number of stories in building, elevators, cooking fuel, number of bathrooms, and air conditioning. An item of particular interest to areas with seasonal population fluctuations, a question on multiple residences, was considered but cut after testing poorly.

Like the questionnaire, proposed data products from the 1990 census do not represent an overall increase so much as a difference from 1980 census data products. However, the changes that are being considered will enhance the accessibility of the expanded small area data base. Printed reports, for example, will include all census tracts or BNAs (block numbering areas in places that are not tracted). In 1980, census tract data was published only for metropolitan areas and select cities; tract or BNA data for other areas had to be accessed through computer tapes. Other, small area tabulations will include data for school districts, ZIP codes, and—for the first time in New Mexico—census counts by precincts. Blocking

the entire state and realigning political precinct boundaries to follow visible, physical features have enabled the provision of 1990 census counts for precincts.

And, if none of these areas is of interest to you, the Census Bureau is proposing an alternative, a user-defined areas program that would offer "relatively low cost" standard tabulations for your own area of interest, as delineated by census blocks. No cost estimates have been cited as yet, but the advantage of this program is clear. The Census Bureau can tabulate the data before application of the disclosure avoidance techniques. Anyone with access to block data can aggregate the blocks to any user-defined area totals, but only the Census Bureau can access the raw, unadjusted data which is especially important to tabulations of sample data.

Data delivery will be effected primarily through printed reports, microfiche, computer tapes, and, to a lesser extent, on-line data services and floppy disks. Accessibility to the vast array of small area data, in particular, has been enhanced by a technological development, the advent of compact disks (CDs) as data storage media. The sheer capacity for storage in a media that can be measured in gigabytes rather than the kilobyte measure common to floppy disks or the megabyte measure of

(Continued on page 8)

Developing Data Bases . . .

(Continued from page 7)

hard drives makes CDs ideal for the large census data sets. To date, some of the 1980 census data have been transferred to CDs, but the high cost of preparing a master disk for a "read-only" memory (ROM) has been prohibitive to widespread application. In the past couple of years, however, CDs have been advancing from the ROM stage to "write-once-read-mainly" capability (WORM). Given the appeal of erasable media for data storage, this progress in laser disk technology will undoubtedly ensure its importance to the dissemination of census data.

If the expansion of the 1990 census data base is not evident from this discussion so far, consider one final issue that is currently receiving serious study—adjustment of the decennial census counts. The public has been pressuring the Census Bureau to adjust the counts for some time, including about 50 lawsuits filed after the 1980 census. Although none of those lawsuits produced an adjustment, the bureau has responded

through study of the possibility of adjusting the 1990 census counts.

Many of the issues involved in the question of adjustment, such as technical feasibility or agreement on the standards of accuracy, have not been resolved. In fact, the decision to adjust or not is unlikely before the Census Bureau has conducted its post-enumeration survey in 1990 to measure the extent of undercount. However, the implications are worth consideration now—there could literally be two sets of 1990 census data.

Whether or not the counts are adjusted, the 1990 census promises enhancement of small area detail and the technological innovation to guarantee accessibility to the data. Again, census data for New Mexico will be available from one of the agencies in the New Mexico State Data Center, including the BBER. Further information about the 1990 census, or the State Data Center affiliate in your area, is available from the Data Bank, 277-6626.

Lynn Bodin Wombold
Senior Demographer

Editor's Note:

The dates shown in the "Gross Receipts from Retail Trade" table on page 6 in the March, 1987 and April, 1987 issues were incorrect. In the March issue the current 3 month average should have been labeled Oct-Dec. (same as the January-February, 1987 issue), while in the April issue it should have been labeled Nov.-Jan. The labels for the previous 3 month average in the two issues were also incorrect and should have read July-Sept. and Aug.-Oct., respectively. All calculations are consistent with the revised labels. The data for the Dec.-Feb. current 3 month average will not be published, but is available at the Data Bank, 277-6626.

Bureau of Business and Economic Research
Institute for Applied Research Services
The University of New Mexico
Albuquerque, NM 87131
(505) 277-2216

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NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

Vol. 8 No. 5
June 1987

Current Economic Developments in New Mexico

Rising long-term interest rates and the fear of a re-emergence of inflation remain the major features of the current national economic landscape. Yields on long-term U.S. government bonds rose recently to 9.0 percent, although they have now backed down to 8.5 percent. Only two months ago similar Treasury bonds were yielding just 7.5 percent.

The jump in long-term interest rates reflects the expanding expectations for future inflation. The devaluation of the dollar has been translated into rising import prices which increased at a 10.4 percent annual rate in the first quarter of 1987. Oil prices have recently risen back to the \$19.50/barrel range—a sixteen month high and far above the average \$12.35/barrel price in the third quarter of 1986.

Given the sluggish nature of the current national economy, these fears of inflation may be somewhat exaggerated. Current price pressures are coming from the exogenous forces of import and energy prices. There is very little "demand-pull" inflationary pressures in the economy right now and, with wages increasing only at a 2.0 percent annual rate in early 1987, there is also little "cost-push" inflation present.

The 4.4 percent increase in first quarter real GNP was hardly an indication of underlying strength in the U.S. economy. Almost all the increase was due to inventory accumulation, much of it involuntary by the auto industry. Consumer spending has slowed dramatically, with retail sales activity basically flat for the first five months of 1987. Business investment spending remains weak as does federal government spending. The foreign trade sector is now a major contributor to U.S. economic growth as the now devalued dollar has stimulated U.S. export volumes and discouraged now higher priced foreign imports. This emerging economic trend will benefit primarily export-oriented domestic manufacturers.

In New Mexico the state economy has stabilized after the massive layoffs last year in the oil and gas industry. Employment growth has resumed, albeit at a very modest pace. In April New Mexico total nonagricultural employment increased 1.3 percent above year ago levels. However, the state's unemployment rate remains uncomfortably high at 8.8 percent and personal income growth was a meagre 2.0 percent in the last quarter of 1986.

The New Mexico economy is gaining jobs in the low paying retail trade and services sectors, while losing jobs in the highest paying mining sector. In April retail trade employment increased 2.8 percent and services employment increased a strong 4.1 percent. However, New Mexico mining employment fell 12.7 percent in April compared to levels a year ago;

on a twelve month moving average basis mining employment has fallen 24.6 percent. Thus, while New Mexico continues to show gains in overall employment totals, the quality of these employment increases is deteriorating. Hence, the meagre growth in state personal income.

Low oil and natural gas prices have discouraged both production and exploration activity within New Mexico. New Mexico oil production fell 7.3 percent in April compared to levels a year ago and on a twelve month moving average basis oil production in April was down 6.2 percent. Natural gas production in New Mexico rose a sharp 10.9 percent in April, but still remains 15.0 percent below year ago levels on a twelve month basis. Oil well completions fell 32.7 percent in April, while natural gas well completions declined 65.6 percent, both reflecting the lack of incentives provided by current low energy prices for exploration of new reserves.

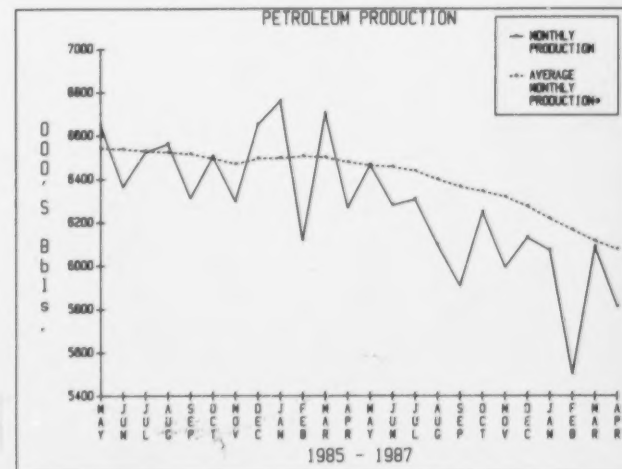
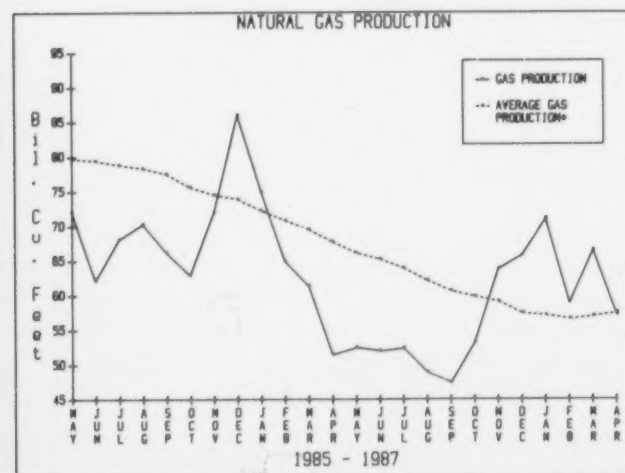
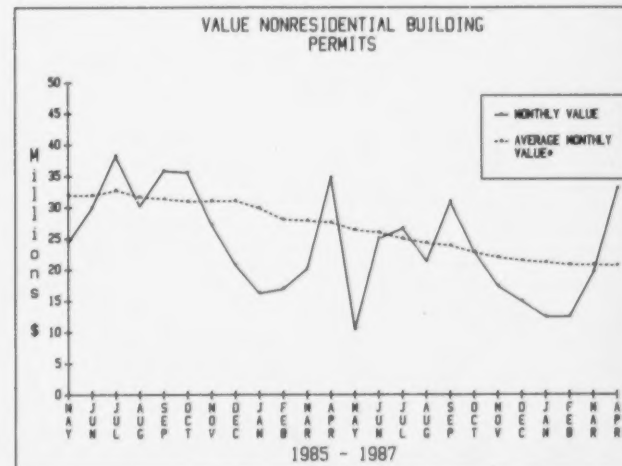
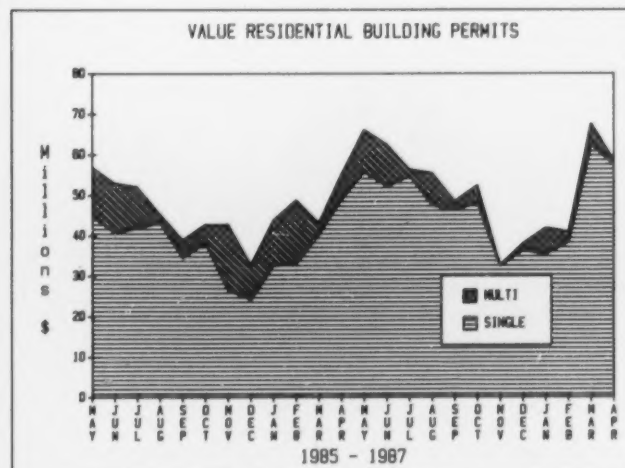
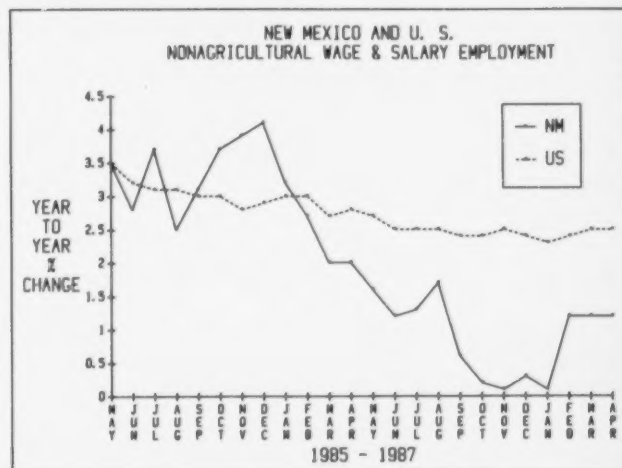
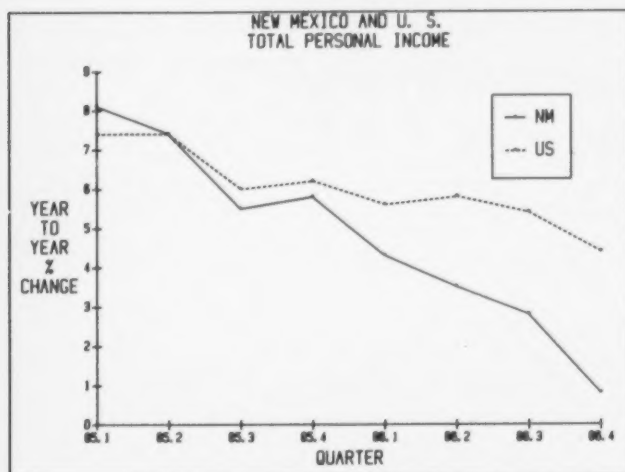
New Mexico construction employment also fell 3.1 percent in April. The only strength in this sector is concentrated in single family housing construction. New mortgage loans closed at savings and loans increased 42.6 percent in February. Declines in the construction of new large office buildings and apartments reflect the current glut of office space and apartments and the negative impact of federal tax reform.

On a more positive note, New Mexico manufacturing employment increased 2.2 percent in April. Transportation equipment employment rose 10.0 percent reflecting the expansion at Roswell's Transportation Manufacturing Company, a bus manufacturer owned by Greyhound and which recently acquired the bus manufacturing operations of GMC. Textile and apparel employment increased 8.7 percent, while lumber and wood products employment expanded 8.0 percent. The former industry is benefiting from the devalued dollar, while the latter reflects a strong single family housing market within New Mexico.

Tourism indicators in New Mexico are also positive. Lodging employment increased 9.1 percent in April compared to a year ago, while visits to national parks within New Mexico are up 10.4 percent. Passenger traffic at Albuquerque International Airport increased 15.0 percent in April. This airport is currently undergoing a \$120 million expansion which will double the number of gates by mid-1989. Albuquerque's airport expansion will complement the city's plans to expand the convention center downtown, ensuring that visitor spending will remain a vital part of New Mexico's expanding economy.

Brian McDonald
Director

ECONOMIC TRENDS IN NEW MEXICO



*12 month moving average. For example, the point for August, 1986 represents an average of data from September, 1985 through August, 1986.

U.S. ECONOMIC INDICATORS

		CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/ QTR DATA
Consumer price index				
All urban consumers (1967=100)				
All items	Apr 87	337.7	3.8	335.9
Food and beverages	Apr 87	322.5	4.5	321.6
Housing	Apr 87	367.7	2.7	366.4
Apparel and upkeep	Apr 87	218.7	5.5	215.2
Transportation	Apr 87	313.3	3.3	310.6
Medical care	Apr 87	457.3	6.8	455.0
Entertainment	Apr 87	281.3	3.3	279.8
Other goods and services	Apr 87	361.1	5.6	360.3
Revised series, wage earners and clerical workers (1967=100)				
All items	Apr 87	332.3	3.7	330.5
Gross national product* (\$Bil. constant)				
I 87	3735.2	2.2	3696.1	
Prime interest rate** (% per annum)	Apr 87	7.8	-8.8	7.5
Mortgage interest rate*** (% per annum)	Mar 87	9.1	-12.8	9.2
3 month treasury bill# (% per annum)	Apr 87	5.8	-4.9	5.6
Industrial production## (1977=100)	Mar 87	126.7	2.6	127.1
Manufacturers new orders## (\$Bil.)	Mar 87	198.9	5.3	194.3

NEW MEXICO AND U.S. COMPARISONS

		NEW MEXICO			UNITED STATES		
	CURRENT MO/QTR	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA
Employment (000)	Apr 87	618.2	2.2	611.3	111,041	2.7	110,229
Unemployment rate (%)	Apr 87	8.8	-4.3	9.2	6.2	-11.4	6.9
Nonagricultural employment (000)	Apr 87	532.7	1.3	529.6	102,091	2.6	101,131
Personal income### (\$Mil.)	IV 86	16,421	2.0	16,296	3,529,745	4.5	3,498,710
Housing units permitted							
Single	Apr 87	872	15.9	918	107,773	-5.4	102,957
Multi	Apr 87	49	-83.3	233	49,184	-25.4	49,166

 Note: Selected data items subject to revision.

N Not available.

* 1982 dollars at seasonally adjusted annual rates.

** Closing rate for month.

*** Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years.

Rate on new issues within period; bank discount basis.

Monthly data seasonally adjusted.

Quarterly data seasonally adjusted at annual rates.

Sources: U. S. Department of Labor, News: CPI data;
 New Mexico Employment Security Department and U. S. Bureau of Labor Statistics: employment and unemployment data.

U. S. Department of Commerce, Bureau of Economic Analysis: income data;

U. S. Department of Commerce, Bureau of the Census: construction data.

U. S. Council of Economic Advisors, Economic Indicators: all other data.

NEW MEXICO ECONOMIC INDICATORS

		CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
1. GENERAL					
Civilian labor force* (000)	Apr 87	678.2	1.8	673.5	3.9
Total employment* (000)	Apr 87	618.2	2.2	611.3	3.5
Unemployment* (000)	Apr 87	60.0	-2.2	62.2	7.8
Unemployment rate (%)	Apr 87	8.8	-4.3	9.2	4.5
Weekly new unemployment insurance claims	Apr 87	1479.0	-21.8	1439.0	5.6
Nonagricultural wage/salary employment** (000)	Apr 87	532.7	1.3	529.6	1.0
New business incorporations	Mar 87	209.0	17.5	188.0	-12.9
Personal income*** (\$ mil.)	IV 86	16421.0	2.0	16296.0	3.2
2. AGRICULTURAL RECEIPTS					
Livestock and products (\$ mil.)	Feb 87	77.1	55.8	73.0	4.6
Crops (\$ mil.)	Feb 87	12.8	-1.5	17.8	-16.2
Total (\$ mil.)	Feb 87	89.9	44.1	90.8	-2.5
3. MINING					
Employment** (000)	Apr 87	14.4	-12.7	14.3	-24.6
Average hourly earnings (\$)	Apr 87	11.48	-8.8	11.46	2.5
Petroleum production (000 bbls.)	Apr 87	5810.2	-7.3	6087.8	-6.2
Natural gas production (bil. cu. ft.)	Apr 87	57.1	10.9	66.5	-15.0
Coal production (000 short tons)	Apr 87	1191.0	-38.7	950.0	-15.2
Oil well completions&	Apr 87	37.0	-32.7	32.0	-53.1
Gas well completions&	Apr 87	11.0	-65.6	17.0	-71.1
Total footage drilled& (000)	Apr 87	280.9	-58.0	368.0	-60.5
Oil sales (\$ mil.)	Feb 87	86.2	-26.3	93.2	-49.4
Gas sales (\$ mil.)	Feb 87	85.4	-39.1	106.5	-48.7
4. CONSTRUCTION					
Employment** (000)	Apr 87	34.0	-3.1	33.1	-5.1
Average hourly earnings (\$)	Apr 87	10.98	0.8	10.75	0.8
Residential units permitted	Apr 87	921.0	-12.1	1151.0	-8.5
Residential building permits (\$ mil.)	Apr 87	58.8	6.6	67.7	11.7
Nonresidential building permits (\$ mil.)	Apr 87	33.0	-4.8	19.6	-26.5
Residential construction contracts (\$ mil.)	Apr 87	67.7	-12.0	62.9	-7.4
Nonresidential construction contracts (\$ mil.)	Apr 87	26.4	-56.0	71.5	-14.5
Nonbuilding construction contracts (\$ mil.)	Apr 87	43.5	-11.2	26.6	-12.9
5. TRANSPORTATION/COMMUNICATION/UTILITIES					
Employment** (000)	Apr 87	28.9	-2.0	28.7	-2.6
Average hourly earnings### (\$)	Apr 87	13.57	21.8	13.44	13.8
6. MANUFACTURING					
Employment** (000)	Apr 87	37.7	2.2	37.4	0.9
Average hourly earnings (\$)	Apr 87	8.69	0.3	8.56	2.6
Electric & electronic equipment employment** (000)	Apr 87	4.3	-8.5	4.3	-16.9
Transportation equipment employment** (000)	Apr 87	4.4	10.0	4.3	2.5
Food & kindred products employment** (000)	Apr 87	4.1	5.2	4.1	4.8
Textile & apparel employment** (000)	Apr 87	2.5	8.7	2.4	0.0
Lumber & wood products employment** (000)	Apr 87	2.7	8.0	2.7	7.7

NEW MEXICO ECONOMIC INDICATORS (continued)

		CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
7. TRADE					
Wholesale employment** (000)	Apr 87	22.4	-0.8	22.5	-2.1
Retail employment** (000)	Apr 87	104.7	2.8	103.8	4.0
Average hourly earnings (\$)	Apr 87	6.72	0.2	6.79	1.5
8. FINANCE/INSURANCE/REAL ESTATE					
Employment** (000)	Apr 87	27.1	2.7	27.1	3.1
Bank average hourly earnings (\$)	Apr 87	5.93	3.0	5.92	3.6
Bank total assets (\$ mil.)	III 86	9512.4	3.2	9515.6	4.9
Bank total deposits (\$mil.)	III 86	8220.9	2.8	8195.7	4.4
Bank gross loans (\$ mil.)	III 86	5539.2	0.1	5608.4	3.6
S & L total assets (\$ mil.)	Feb 87	5663.0	10.1	5659.1	14.2
S & L total deposits (\$ mil.)	Feb 87	4569.3	7.5	4524.5	10.6
S & L new mortgage loans closed ~~\$\$\$~~ (\$ mil.)	Feb 87	124.3	42.6	111.9	7.6
9. SERVICES AND TOURISM					
Total service employment** (000)	Apr 87	122.0	4.1	121.2	3.4
Lodging employment** (000)	Apr 87	12.1	9.1	11.5	6.4
Eating & drinking places employment** (000)	Apr 87	37.4	0.6	37.0	4.2
Visits to state parks (000)	Dec 86	202.9	16.9	248.1	18.9
Visits to national parks/monuments (000)	Apr 87	166.8	10.4	147.6	1.9
Passenger traffic at Albuquerque airport@ (000)	Apr 87	361.5	15.0	370.6	8.4
Lodgers tax receipts (\$ 000)	I 87	1522.4	7.0	1793.1	N
Lodging occupancy rates (%)	Apr 87	54.5	3.5	57.7	-4.1
10. GOVERNMENT					
Total government employment** (000)	Apr 87	141.5	1.0	141.5	2.9
Federal employment** (000)	Apr 87	30.8	3.4	30.5	0.7
State employment** @@ (000)	Apr 87	51.2	-1.7	51.5	4.4
Local employment** (000)	Apr 87	59.5	2.1	59.5	2.7
Total general fund revenues@@@ (\$ mil.)	Apr 87	169.1	36.2	128.2	9.0

Note: selected data items subject to revision.

N Not available.

* Number of persons by place of residence.

** Number of jobs by place of work.

*** Quarterly data seasonally adjusted at annual rates.

& These include wells that are in the following categories: new drillings, deepened, plugged back, reentry and additional zone.

~~\$\$\$~~ Oil and gas combined.

~~\$\$\$~~ New mortgage loans closed equals the previously carried item "Total loans closed" plus a relatively insignificant additional loan category.

For example, in the report that contained June 1985 figures this would be the percent change in the average of July 1983 to June 1984 data versus the average of July 1984 to June 1985 data.

Communications and utilities only.

@ Passenger traffic includes enplanements and deplanements.

@@ This figure includes full and part time employment at Los Alamos National Laboratories (LANL). Full time employment alone at LANL is 7,955 as of AUGUST 1986 according to U. S. Dept. of Energy, Public Affairs.

@@@ Includes recurring and non-recurring revenues.

Sources: New Mexico Employment Security Dept.: Sections 1, 3, 4, 5, 6, 7, 8, 9, 10;

Dun and Bradstreet, Inc.: Section 1;

U. S. Dept. of Commerce, Bureau of Economic Analysis: Section 1;

USDA Statistical Reporting Service: Section 2;

New Mexico Energy and Minerals Dept., Oil and Gas Conservation Division: Section 3;

New Mexico Taxation and Revenue Dept., Oil and Gas Accounting Division: Section 3;

U. S. Dept. of Energy, Energy Information Administration: Section 3;

U. S. Dept. of Commerce, Bureau of the Census: Section 4;

F. W. Dodge Company (a division of McGraw Hill, Inc.): Section 4;

U. S. Federal Reserve: Section 8;

Federal Home Loan Bank of Dallas: Section 8;

New Mexico Natural Resources Dept., Parks and Recreation Division: Section 9;

U. S. National Park Service: Section 9;

City of Albuquerque, Albuquerque International Airport: Section 9;

New Mexico Dept. of Finance and Administration, Local Government Division: Section 9;

Parnell, Kerr and Forster: Section 9;

New Mexico Dept. of Finance and Administration: Section 10.

CITIES, COUNTIES AND FEATURES

GROSS RECEIPTS* FROM RETAIL TRADE
TOP 20 CITIES
(\$000)

	CURRENT 3 MONTH AVERAGE* FEB-APR -----	% CHANGE AVERAGE YEAR AGO -----	PREVIOUS 3 MONTH AVERAGE* NOV-JAN -----
Alamogordo	\$ 14,017	11.1	\$ 14,629
Albuquerque	212,303	6.7	244,430
Artesia	4,703	-6.5	5,111
Carlsbad	10,749	-7.8	14,378
Clovis	14,664	0.5	17,276
Deming	5,034	12.0	5,120
Espanola	6,476	1.7	7,336
Farmington	24,372	-3.0	28,019
Gallup	20,153	1.2	22,395
Grants	3,615	-10.2	3,687
Hobbs	14,702	-17.4	16,355
Las Cruces	32,378	6.1	36,767
Las Vegas	5,354	-0.4	6,070
Los Alamos	6,334	8.0	6,240
Portales	6,373	41.1	6,729
Roswell	18,053	-0.2	19,638
Ruidoso	5,151	7.0	5,193
Santa Fe	39,003	4.0	48,978
Silver City	6,683	-7.1	7,521
Taos	6,626	11.5	6,480
State total	575,020	0.6	645,053

Gross receipts reported are for gross receipts tax purposes, which do not include all the receipts of all firms.

* Averages are used to smooth out fluctuations in the data, which are not caused by changes in economic conditions.

Note: Due to declining sales activity in Lovington, Grants now replaces Lovington in the top 20 cities.

Source: New Mexico Taxation and Revenue Department.

NEW MEXICO CONSTRUCTION
SELECTED CITIES

	NUMBER OF BUILDING UNITS OR PERMITS *				VALUE OF BUILDING PERMITS (\$000)			
	APRIL 87	APRIL 86	CUMULATIVE THROUGH 87	TOTAL APRIL 86	APRIL 87	APRIL 86	CUMULATIVE THROUGH 87	TOTAL APRIL 86
RESIDENTIAL**								
Alamogordo	30	23	109	100	\$ 1,357	\$ 1,009	\$ 4,832	\$ 4,474
Albuquerque	343	442	1,458	2,244	23,580	20,644	84,282	83,717
Carlsbad	6	5	27	22	334	346	1,551	1,125
Clovis	17	22	42	60	1,068	881	2,772	2,939
Farmington	7	15	31	37	360	495	1,702	1,375
Hobbs	3	1	12	10	147	135	725	600
Las Cruces	50	43	367	193	2,581	2,478	13,829	9,786
Los Alamos	7	9	29	17	542	1,300	4,732	2,170
Rio Rancho***	93	130	434	440	5,801	6,499	25,084	21,294
Roswell	7	9	28	37	384	466	1,587	1,594
Ruidoso	6	7	31	88	417	581	1,751	3,660
Santa Fe	26	64	74	138	2,130	3,157	5,895	8,327
NONRESIDENTIAL*								
Alamogordo	4	4	18	24	105	50	896	259
Albuquerque	7	4	28	20	16,045	12,244	33,278	26,502
Carlsbad	6	10	14	33	12	37	60	296
Clovis	3	1	11	17	174	20	539	1,479
Farmington	3	3	8	11	192	650	799	1,746
Hobbs	2	1	4	10	284	650	336	1,585
Las Cruces	17	17	61	65	1,488	647	7,644	5,153
Los Alamos	2	21	4	33	4	264	10	3,390
Rio Rancho***	5	4	15	14	1,344	1,133	2,787	4,710
Roswell	4	8	22	28	15	796	235	874
Ruidoso	0	1	1	7	0	12	32	1,234
Santa Fe	13	21	23	30	5,540	4,650	8,413	5,211

Note: Top twelve cities chosen on basis of residential construction activity during the period 1982 through 1984.
* 1985 data is revised.

* Residential data shows the number of permitted units, while nonresidential data shows the number of permits.

** Residential data includes both single and multi family units.

*** AMREP Southwest, Inc. reported Rio Rancho data.

Sources: AMREP Southwest, Inc.; Rio Rancho only;

U. S. Department of Commerce, Bureau of the Census; all others.

CITIES, COUNTIES AND FEATURES (continued)

ESTIMATED CIVILIAN LABOR FORCE AND EMPLOYMENT
(000)

	NEW MEXICO			ALBUQUERQUE MSA*			LAS CRUCES MSA**			SANTA FE MSA***		
	APRILp	% CHANGE YEAR AGO	MARCHr	APRILp	% CHANGE YEAR AGO	MARCHr	APRILp	% CHANGE YEAR AGO	MARCHr	APRILp	% CHANGE YEAR AGO	MARCHr
TOTAL CIVILIAN LABOR FORCE	678.2	1.8	673.5	261.1	3.7	259.3	54.9	1.5	54.6	65.0	4.0	64.5
Employment@	618.2	2.2	611.3	245.1	3.7	243.4	51.1	2.0	50.6	61.3	3.6	60.6
Unemployment	60.0	-2.2	62.2	16.0	2.6	15.9	3.8	-2.5	4.0	3.7	12.2	3.8
Unemployment rate (%)	8.8	-4.3	9.2	6.1	-1.6	6.1	6.9	-5.4	7.3	5.6	9.7	5.9
NONAGRICULTURAL WAGE & SALARY EMPLOYMENT	532.7	1.3	529.6	231.6	2.3	230.7	40.0	0.6	39.9	54.0	4.9	54.0
Mining	14.4	-12.7	14.3	0.2	0.0	0.2	0.1	0.0	0.1	0.1	0.0	0.1
Contract construction	34.0	-3.1	33.1	17.0	1.2	16.9	2.7	3.9	2.6	3.3	6.5	3.1
Manufacturing	37.7	2.2	37.4	19.5	0.0	19.4	3.1	0.0	3.1	1.6	0.0	1.6
Durable goods	24.5	0.9	24.3	14.0	0.0	14.0	1.3	8.4	1.2	1.0	0.0	1.0
Nondurable goods	13.2	4.8	13.1	5.5	0.0	5.4	1.8	-5.2	1.9	0.6	0.0	0.6
Transportation & public utilities	28.9	-2.0	28.7	12.4	1.7	12.4	1.4	7.7	1.4	1.2	-7.6	1.2
Trade	127.1	2.1	126.3	58.7	2.3	58.5	7.7	2.7	7.6	10.5	8.3	10.4
Wholesale	22.4	-0.8	22.5	14.2	0.8	14.2	0.8	0.0	0.8	0.7	0.0	0.7
Retail	104.7	2.8	103.8	44.5	2.8	44.3	6.9	3.0	6.8	9.8	8.9	9.7
Finance, insurance, & real estate	27.1	2.7	27.1	14.8	5.0	14.5	1.6	0.0	1.6	2.1	5.0	2.2
Services	122.0	4.1	121.2	63.2	4.0	63.0	6.2	10.8	6.1	13.7	7.9	13.5
Government	141.5	1.0	141.5	45.8	0.9	45.8	17.4	-3.3	17.5	21.6	2.4	22.0
Federal	30.8	3.4	30.5	13.3	3.2	13.2	4.3	-2.2	4.3	1.5	0.0	1.5
State	51.2	-1.7	51.5	12.9	-5.1	13.0	7.9	-7.0	8.0	16.2	1.9	16.5
Local	59.5	2.1	59.5	19.6	3.8	19.6	5.2	2.0	5.2	3.9	5.5	4.0

N Not available, less than 50 jobs.
p Preliminary.
r Revised.

* Bernalillo County.
** Dona Ana County.
*** Santa Fe and Los Alamos Counties.
@ Includes labor disputes.

Source: New Mexico Employment Security Department.

Total Direct Federal Expenditures or Obligations by County
(\$ Millions)

County	FY 1986	% Change Year Ago	FY 1985	County	FY 1986	% Change Year Ago	FY 1985
Bernalillo	\$2,937.9	10.8	\$2,652.2	McKinley	\$ 189.7	-7.6	\$ 205.0
Catron	9.1	1.1	9.0	Mora	11.1	1.8	11.0
Chaves	136.5	-2.6	140.2	Otero	323.2	-0.4	324.5
Cibola	29.5	-12.2	33.6	Quay	37.8	-9.1	41.6
Colfax	36.4	-6.4	38.9	Rio Arriba	80.6	16.3	69.3
Curry	182.6	-1.1	184.6	Roosevelt	42.6	-5.3	45.0
De Baca	7.0	-4.1	7.3	Sandoval	87.2	0.1	87.1
Dona Ana	493.9	9.6	450.7	San Juan	164.7	7.3	153.5
Eddy	\$ 201.6	91.8	\$ 105.1	San Miguel	\$ 64.3	-10.7	\$ 72.0
Grant	53.6	-1.5	54.4	Sante Fe	274.2	-23.5	358.6
Guadalupe	20.3	3.6	19.6	Sierra	38.0	7.3	35.4
Harding	2.5	-16.7	3.0	Socorro	68.3	21.1	56.4
Hidalgo	20.1	92.3	13.2	Taos	46.9	2.9	45.6
Lea	83.5	14.5	72.9	Torrance	18.3	4.0	17.6
Lincoln	32.7	24.8	26.2	Union	13.7	-6.8	14.7
Los Alamos	997.4	19.9	831.7	Valencia	87.3	8.7	80.3
Luna	55.2	23.5	44.7	State Undistributed	175.7	-37.0	279.0
New Mexico	\$7,023.1	6.7	\$6,584.0				

Notes: Detail may not add to total because of rounding.

Source: U.S. Department of Commerce, Bureau of the Census, Consolidated Federal Funds Report, Volume I, County Areas, FY 1985 and 1986, and unpublished data.

NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

Vol. 8
JulyNo. 6
1987

1986 County Population Estimates

The recent round of estimates for New Mexico, seen on page 8, reveals few surprises in local population trends. Through 1986, the growth of the state's population has held at 2 percent annually, sustained primarily by natural increase. Births are up 27 percent from a decade ago, and migration is down by 32 percent. The combined effect has been a drop in the rate of growth from 2.8 percent annually through the 1970s to the current rate of 2 percent. With few exceptions, the slower growth is typical of counties, too.

The exceptions, of course, are the fastest-growing counties: Sandoval, with a population increase of almost 40 percent from 1980 to 1986; Dona Ana, 28 percent; Lincoln and Valencia, about 23 percent each; and Torrance, 21 percent. Among these counties, levels of migration have increased since the 1970s. Other counties which have grown more quickly than the state average of 13.5 percent, 1980-1986, have generally experienced the decreasing levels of migration more typical of New Mexico in the 1980s. Increases in births have been maintaining population growth above the state's average, but below past rates of increase. The select group of counties with more rapid population growth are generally located along the Rio Grande corridor, in and around the metropolitan areas, including not only Sandoval, Torrance, Valencia, and Dona Ana Counties, but also Santa Fe and Sierra Counties.

Conspicuously absent from this list are the energy and mining counties. Representing over 65 percent of the nonmetropolitan population in New Mexico, trends in these counties have dominated nonmetropolitan population and economic change and affected even state trends through the force of their boom-bust cycles. However, migration has been just the catalyst in the boom-bust cycles—not the primary source of population growth among the energy-related counties.

The fastest-growing energy counties were Cibola, McKinley, and San Juan, located in the northwest corner of the state, but past growth in these counties may be attributed to natural increase as well as to the flow of in-migrants attracted by the energy boom through the early 1980s. Each of the counties has a young population base with a large American Indian population. Given the traditionally high rates of fertility that are characteristic of the Indian populations, high rates of natural increase are not surprising. In fact, the relative contributions of migration increase to total population change vary by the size of the resident Indian population in each county. McKinley County has the largest Indian population and the lowest levels of migration—less than 10 percent of total growth in the 1980s. But the birth rate alone has excepted McKinley County from the below average growth of the energy counties now.

In the opposite corner of the state, Chaves, Eddy and Lea Counties provide an interesting contrast to the energy counties in the northwest. Chaves and Eddy Counties have older, pre-

dominantly Anglo populations, and the pace of change has been moderate over the past 15 years. Lea County also has a majority Anglo population, but it is younger. The young population base and low labor force participation rates combined to absorb most of the employment growth locally through the 1970s. This accommodation naturally increased the labor force participation rates in Lea, and net migration shifted from out- to an in-migration balance in the 1980s, which has also excepted the county from below average growth.

The smaller mining counties of Grant and Hidalgo in the southwest corner of the state and Colfax and Taos in the north have been subject to the boom-bust cycles typical of the larger energy counties, but to a lesser degree. Although migration tends to follow the pace of employment change, the magnitude of the peaks and the lows in these counties has averaged out to moderate-to-slow rates of change over the past 15 years. The population and job bases of these counties are simply smaller, and high rates of natural increase are often sufficient to stabilize total population change through periods of job loss and out-migration.

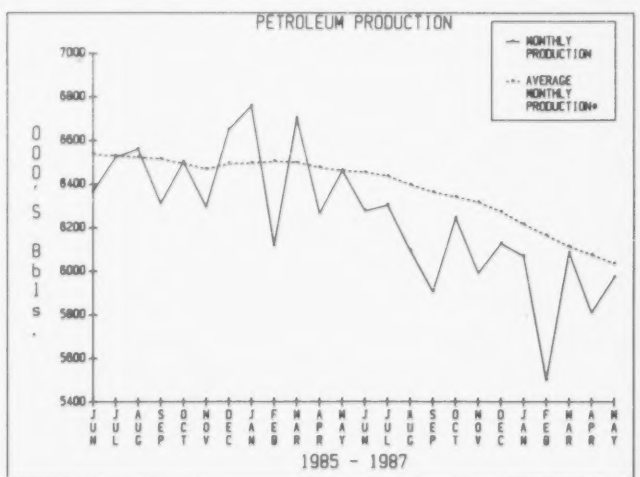
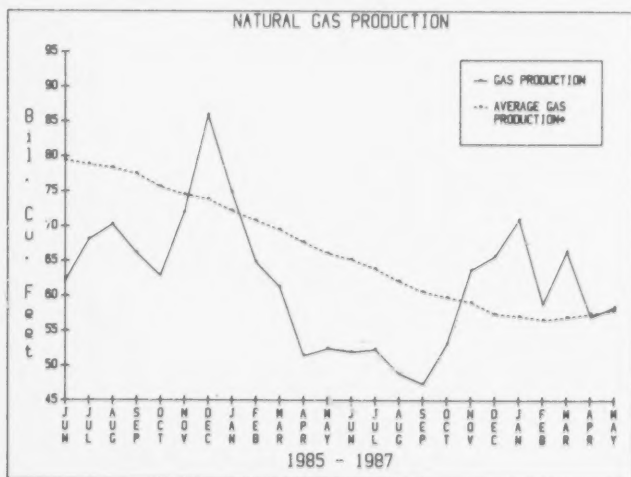
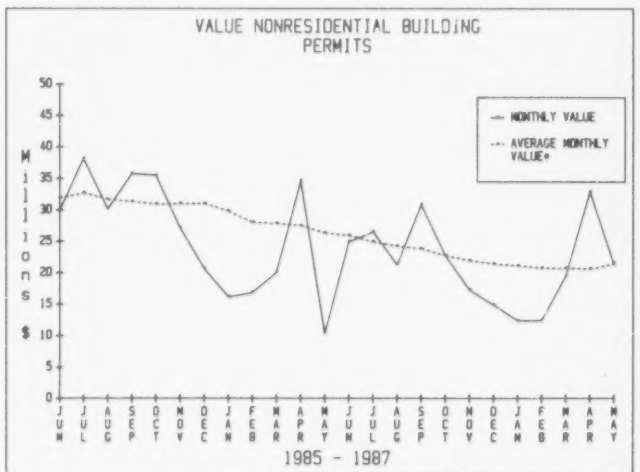
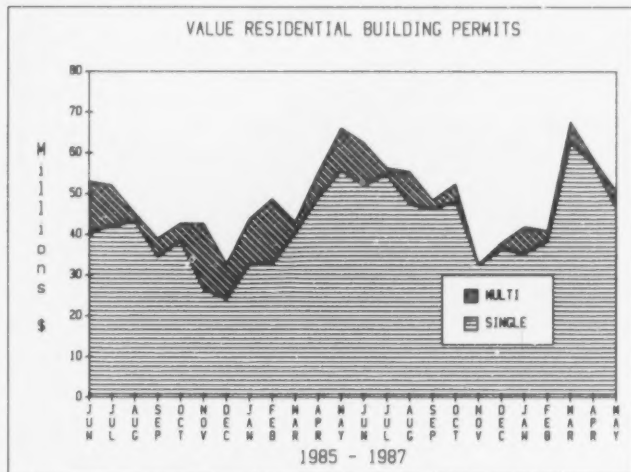
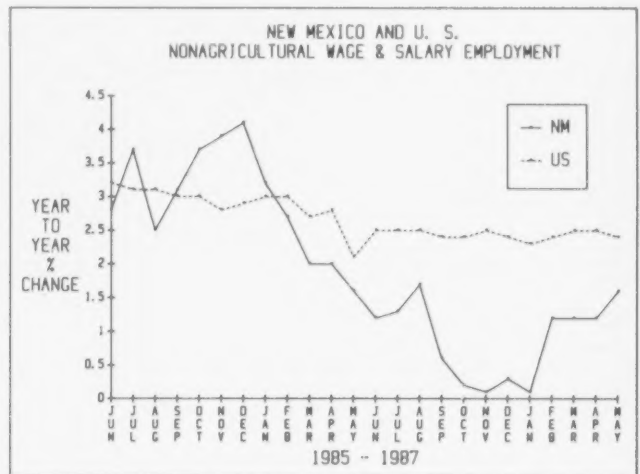
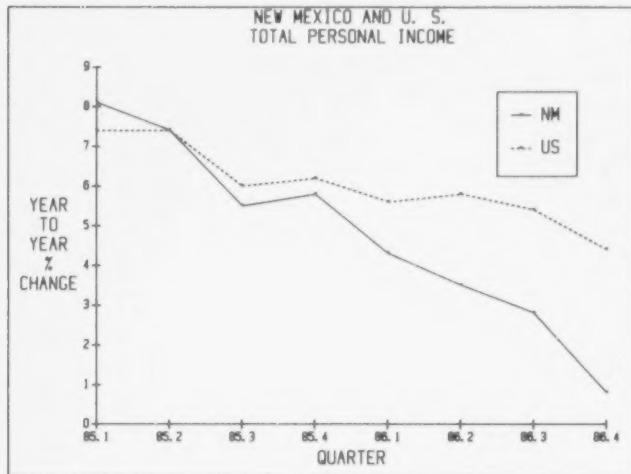
Since 1983, however, not even natural increase has been sufficient to offset the loss of population from energy and mining counties. Reviewing the cumulative change in population through 1986 does not reveal the out-migration in all the counties because of the boom through 1982. Only Cibola County has been losing population steadily since 1980. The shift in trends is revealed in the comparison of average annual rates of change through the first half of the decade, 1980-85, to current estimates 1985-1986 (see page 7).

A downturn in population growth is evident not only among energy and mining counties, but also in many of the eastern plains' counties and, for the first time since 1970, Lincoln County. Population growth in Lincoln County really declined in 1985, but 1986 recorded the first loss of population in years. Increasing rates of growth in 1986 are limited primarily to counties in the Rio Grande corridor, including Sandoval, Torrance, Valencia, Santa Fe, Rio Arriba and Los Alamos. Growth in Bernalillo County's population is constant at 2 percent annually; in Dona Ana County, the rate declined slightly from 4 to 3.8 percent. Of course, annual population changes may be indicative of periodic fluctuations as well as shifts in population trends. The difference is discernible from an understanding of the reasons for population change.

Current population estimates by county are available from the Data Bank, 277-6626. Estimates for places are expected to be released by the Census Bureau in August.

Lynn Bodin Wombold
Senior Demographer

ECONOMIC TRENDS IN NEW MEXICO



*12 month moving average. For example, the point for August, 1986 represents an average of data from September, 1985 through August, 1986.

U.S. ECONOMIC INDICATORS

		CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/ QTR DATA
Consumer price index				
All urban consumers (1967=100)				
All items	May 87	338.7	3.8	337.7
Food and beverages	May 87	324.0	4.7	322.5
Housing	May 87	368.9	2.9	367.7
Apparel and upkeep	May 87	218.0	5.6	218.7
Transportation	May 87	314.6	2.9	313.3
Medical care	May 87	458.9	6.8	457.3
Entertainment	May 87	282.0	3.3	281.3
Other goods and services	May 87	362.0	5.8	361.1
Revised series, wage earners and clerical workers (1967=100)				
All items	May 87	333.4	3.7	332.3
Gross national product* (\$Bil. constant)				
	I 87	3739.4	2.3	3696.1
Prime interest rate** (% per annum)	Jun 87	8.3	-2.9	8.3
Mortgage interest rate*** (% per annum)	May 87	9.5	-7.4	9.2
3 month treasury bill# (% per annum)	Jun 87	5.7	-8.3	5.8
Industrial production## (1977=100)	May 87	127.8	2.9	127.2
Manufacturers new orders### (\$Bil.)	Apr 87	200.7	7.6	199.4

NEW MEXICO AND U.S. COMPARISONS

		NEW MEXICO			UNITED STATES		
	CURRENT MO/QTR DATA	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA
Employment (000)	May 87	621.8	1.9	617.6	112,377	3.1	111,041
Unemployment rate (%)	May 87	8.5	-5.5	8.9	6.1	-12.8	6.2
Nonagricultural employment (000)	May 87	536.4	1.6	531.9	102,164	2.4	101,390
Personal income### (\$Mil.)	IV 86	16,421	2.0	16,296	3,529,745	4.5	3,498,710
Housing units permitted							
Single	May 87	669	-19.0	872	96,358	-12.0	107,773
Multi	May 87	234	-47.2	49	40,010	-34.2	49,184

Note: Selected data items subject to revision.

N Not available.

* 1982 dollars at seasonally adjusted annual rates.

** Closing rate for month.

*** Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years.

Rate on new issues within period; bank discount basis.

Monthly data seasonally adjusted.

Quarterly data seasonally adjusted at annual rates.

Sources: U. S. Department of Labor, News: CPI data;

New Mexico Department of Labor and U. S. Bureau of Labor Statistics: employment and unemployment data.

U. S. Department of Commerce, Bureau of Economic Analysis: income data;

U. S. Department of Commerce, Bureau of the Census: construction data.

U. S. Council of Economic Advisors, Economic Indicators: all other data.

NEW MEXICO ECONOMIC INDICATORS

		CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
1. GENERAL					
Civilian labor force* (000)	May 87	679.2	1.3	678.0	3.5
Total employment* (000)	May 87	621.8	1.9	617.6	3.2
Unemployment* (000)	May 87	57.4	-4.9	60.4	6.9
Unemployment rate (%)	May 87	8.5	-5.5	8.9	3.4
Weekly new unemployment insurance claims	Jun 87	1398.0	-24.4	1171.0	-3.3
Nonagricultural wage/salary employment** (000)	May 87	536.4	1.6	531.9	0.9
New business incorporations	Mar 87	209.0	17.5	188.0	-12.9
Personal income*** (\$ mil.)	IV 86	16421.0	2.0	16296.0	3.2
2. AGRICULTURAL RECEIPTS					
Livestock and products (\$ mil.)	Mar 87	81.0	37.6	48.0	2.5
Crops (\$ mil.)	Mar 87	11.7	-20.4	13.0	-15.4
Total (\$ mil.)	Mar 87	92.7	26.0	61.0	-3.6
3. MINING					
Employment** (000)	May 87	14.6	-8.1	14.4	-23.5
Average hourly earnings (\$)	May 87	12.40	-0.8	11.57	1.9
Petroleum production (000 bbls.)	May 87	5974.3	-7.5	5810.2	-6.6
Natural gas production (bil. cu. ft.)	May 87	58.5	11.5	57.1	-12.2
Coal production (000 short tons)	May 87	1817.0	15.1	1191.0	-12.9
Oil well completions&	May 87	41.0	-43.8	37.0	-54.8
Gas well completions&	May 87	33.0	-19.5	11.0	-72.2
Total footage drilled&& (000)	May 87	444.2	-43.8	280.9	-63.1
Oil sales (\$ mil.)	Mar 87	96.4	0.0	86.2	-47.6
Gas sales (\$ mil.)	Mar 87	92.3	-28.7	85.4	-48.9
4. CONSTRUCTION					
Employment** (000)	May 87	34.8	-3.0	33.8	-4.8
Average hourly earnings (\$)	May 87	10.71	-0.0	10.73	0.5
Residential units permitted	May 87	903.0	-28.8	921.0	-11.9
Residential building permits (\$ mil.)	May 87	50.7	-23.4	58.8	7.2
Nonresidential building permits (\$ mil.)	May 87	21.4	105.8	33.0	-19.8
Residential construction contracts (\$ mil.)	May 87	50.3	-19.3	67.7	-8.4
Nonresidential construction contracts (\$ mil.)	May 87	35.3	88.8	16.0	-8.4
Nonbuilding construction contracts (\$ mil.)	May 87	63.9	346.9	43.5	2.0
5. TRANSPORTATION/COMMUNICATION/UTILITIES					
Employment** (000)	May 87	28.7	-2.3	29.0	-2.3
Average hourly earnings### (\$)	May 87	13.64	21.2	13.43	15.1
6. MANUFACTURING					
Employment** (000)	May 87	38.3	3.0	37.6	1.1
Average hourly earnings (\$)	May 87	8.65	-0.2	8.73	2.3
Electric & electronic equipment employment** (000)	May 87	4.2	-10.6	4.3	-15.3
Transportation equipment employment** (000)	May 87	4.6	12.2	4.3	4.9
Food & kindred products employment** (000)	May 87	4.2	2.5	4.1	4.8
Textile & apparel employment** (000)	May 87	2.5	8.7	2.5	4.4
Lumber & wood products employment** (000)	May 87	2.9	11.6	2.7	7.7

NEW MEXICO ECONOMIC INDICATORS (continued)

		CURRENT MO/QT/ DATA	% CHANGE YEAR AGO	PREVIOUS MO/QT/ DATA	% CHANGE# 12 MONTH AVERAGES
7. TRADE					
Wholesale employment** (000)	May 87	22.4	-0.8	22.4	-2.1
Retail employment** (000)	May 87	106.7	3.0	104.6	3.7
Average hourly earnings (\$)	May 87	6.61	-3.2	6.70	1.0
8. FINANCE/INSURANCE/REAL ESTATE					
Employment** (000)	May 87	27.3	2.7	27.1	3.1
Bank average hourly earnings (\$)	May 87	5.95	9.4	5.94	4.4
Bank total assets (\$ mil.)	III 86	9512.4	3.2	9515.6	4.9
Bank total deposits (\$ mil.)	III 86	8220.9	2.8	8195.7	4.4
Bank gross loans (\$ mil.)	III 86	5539.2	0.1	5608.4	3.6
S & L total assets (\$ mil.)	Apr 87	6029.5	14.8	6033.8	14.8
S & L total deposits (\$ mil.)	Apr 87	4579.7	8.1	4603.4	9.7
S & L new mortgage loans closed&&& (\$ mil.)	Apr 87	197.7	17.9	198.3	28.9
9. SERVICES AND TOURISM					
Total service employment** (000)	May 87	122.5	3.9	121.5	3.4
Lodging employment** (000)	May 87	12.4	8.8	12.0	7.3
Eating & drinking places employment** (000)	May 87	38.4	1.4	37.4	3.9
Visits to state parks (000)	Dec 86	202.9	16.9	248.1	18.9
Visits to national parks/monuments (000)	May 87	212.0	4.0	166.8	1.3
Passenger traffic at Albuquerque airport@ (000)	May 87	380.4	5.5	361.5	8.2
Lodgers tax receipts (\$ 000)	I 87	1522.4	7.0	1793.1	N
Lodging occupancy rates (%)	May 87	60.2	-1.3	54.5	-3.2
10. GOVERNMENT					
Total government employment** (000)	May 87	141.1	1.6	141.5	2.7
Federal employment** (000)	May 87	31.3	3.7	30.8	0.7
State employment** @@ (000)	May 87	49.9	-1.1	51.2	3.7
Local employment** (000)	May 87	59.9	3.0	59.5	2.9
Total general fund revenues@@@ (\$ mil.)	May 87	116.0	-13.8	169.1	9.9

Note: selected data items subject to revision.

N Not available.

* Number of persons by place of residence.

** Number of jobs by place of work.

*** Quarterly data seasonally adjusted at annual rates.

& These include wells that are in the following categories: new drillings, deepened, plugged back, reentry and additional zone.

&& Oil and gas combined.

&&& New mortgage loans closed equals the previously carried item "total loans closed" plus a relatively insignificant additional loan category.

for example, in the report that contained June 1985 figures this would be the percent change in the average of July 1983 to June 1984 data versus the average of July 1984 to June 1985 data.

Communications and utilities only.

@ Passenger traffic includes enplanements and deplanements.

@@ This figure includes full and part time employment at Los Alamos National Laboratories (LANL). Full time employment alone at LANL is 7,955 as of AUGUST 1986 according to U. S. Dept. of Energy, Public Affairs.

@@@ Includes recurring and non-recurring revenues.

Sources: New Mexico Department of Labor: Sections 1, 3, 4, 5, 6, 7, 8, 9, 10;

Dun and Bradstreet, Inc.: Section 1;

U. S. Dept. of Commerce, Bureau of Economic Analysis: Section 1;

USDA Statistical Reporting Service: Section 2;

New Mexico Energy, Minerals and Natural Resources Dept., Oil and Gas Conservation Division: Section 3;

New Mexico Taxation and Revenue Dept., Oil and Gas Accounting Division: Section 3;

U. S. Dept. of Energy, Energy Information Administration: Section 3;

U. S. Dept. of Commerce, Bureau of the Census: Section 4;

F. W. Dodge Company (a division of McGraw Hill, Inc.): Section 4;

U. S. Federal Reserve: Section 8;

Federal Home Loan Bank of Dallas: Section 8;

New Mexico Energy, Minerals and Natural Resources Dept., Park and Recreation Division: Section 9;

U. S. National Park Service: Section 9;

City of Albuquerque, Albuquerque International Airport: Section 9;

New Mexico Dept. of Finance and Administration, Local Government Division: Section 9;

Parnell, Kerr and Forster: Section 9;

New Mexico Dept. of Finance and Administration: Section 10.

CITIES, COUNTIES AND FEATURES

GROSS RECEIPTS FROM RETAIL TRADE##
TOP 20 CITIES
(\$000)

	CURRENT 3 MONTH AVERAGE* MAR-MAY -----	% CHANGE AVERAGE YEAR AGO -----	PREVIOUS 3 MONTH AVERAGE* DEC-FEB -----
Alamogordo	\$ 14,355	14.0	\$ 14,247
Albuquerque	205,214	3.4	242,262
Artesia	4,568	1.0	5,045
Carlsbad	10,729	-9.1	13,916
Clovis	14,809	-1.7	16,847
Deming	4,867	7.0	4,955
Espanola	6,336	-4.3	6,998
Farmington	24,824	-2.0	27,734
Gallup	21,043	4.9	21,450
Grants	3,601	-6.1	3,585
Hobbs	15,499	-8.7	15,832
Las Cruces	32,756	6.9	35,954
Las Vegas	5,262	-2.5	5,906
Los Alamos	5,947	5.3	5,988
Portales	5,515	19.0	6,750
Roswell	17,539	-1.5	19,467
Ruidoso	4,696	5.0	5,195
Santa Fe	40,855	10.6	46,644
Silver City	6,488	-12.0	7,477
Taos	6,190	5.0	6,334
State total	565,800	-1.4	630,676

Gross receipts reported are for gross receipts tax purposes, which do not include all the receipts of all firms.

Estimates for May, 1987 based on incomplete data.

* Averages are used to smooth out fluctuations in the data, which are not caused by changes in economic conditions.

Note: Due to declining sales activity in Lovington, Grants now replaces Lovington in the top 20 cities.

Source: New Mexico Taxation and Revenue Department.

NEW MEXICO CONSTRUCTION
SELECTED CITIES

	NUMBER OF BUILDING UNITS OR PERMITS *				VALUE OF BUILDING PERMITS (\$000)			
	CUMULATIVE TOTAL		CUMULATIVE TOTAL		CUMULATIVE TOTAL		CUMULATIVE TOTAL	
	MAY 87	MAY 86	THROUGH 87	MAY 86	MAY 87	MAY 86	THROUGH 87	MAY 86
RESIDENTIAL**								
Alamogordo	27	22	136	122	\$ 1,169	\$ 1,067	\$ 6,001	\$ 5,541
Albuquerque	220	660	1,678	2,904	16,296	28,312	100,578	112,030
Carlsbad	14	8	41	30	848	364	2,399	1,489
Clovis	4	13	46	73	209	835	2,981	3,775
Farmington	7	3	38	40	342	104	2,044	1,479
Hobbs	2	0	14	10	113	0	838	600
Las Cruces	36	40	403	233	1,892	1,946	15,721	11,732
Los Alamos	11	9	40	26	991	1,235	5,722	3,405
Rio Rancho***	40	93	474	499	2,543	5,160	27,627	25,297
Roswell	4	4	32	41	255	182	1,842	1,776
Ruidoso	4	8	35	96	262	613	2,013	4,273
Santa Fe	216	34	290	172	4,880	2,016	10,775	10,343
NONRESIDENTIAL*								
Alamogordo	11	0	29	0	380	24	1,276	259
Albuquerque	5	1	33	21	8,599	511	41,877	27,013
Carlsbad	4	10	18	43	11	20	71	316
Clovis	5	1	16	18	997	35	1,536	1,514
Farmington	2	2	10	13	113	685	912	2,432
Hobbs	0	0	4	10	0	0	336	1,585
Las Cruces	18	18	79	83	1,023	542	8,666	5,695
Los Alamos	4	1	8	34	751	260	761	3,651
Rio Rancho***	5	2	20	16	485	455	3,272	5,165
Roswell	16	14	38	42	21	267	255	1,141
Ruidoso	0	2	1	7	0	58	32	1,272
Santa Fe	4	3	27	33	206	380	8,619	5,591

Note: Top twelve cities chosen on basis of residential construction activity during the period 1982 through 1984.
r 1985 data is revised.

* Residential data shows the number of permitted units, while nonresidential data shows the number of permits.

** Residential data includes both single and multi family units.

*** City of Rio Rancho reported Rio Rancho data.

Sources: City of Rio Rancho: Rio Rancho only;
U. S. Department of Commerce, Bureau of the Census: all others.

CITIES, COUNTIES AND FEATURES (continued)

ESTIMATED CIVILIAN LABOR FORCE AND EMPLOYMENT
(000)

	NEW MEXICO				ALBUQUERQUE MSA*				LAS CRUCES MSA**				SANTA FE MSA***			
	MAY	% CHANGE p YEAR AGO	APRIL	r	MAY	% CHANGE p YEAR AGO	APRIL	r	MAY	% CHANGE p YEAR AGO	APRIL	r	MAY	% CHANGE p YEAR AGO	APRIL	r
TOTAL CIVILIAN LABOR FORCE	679.2	1.3	678.0		258.5	2.8	261.1		57.3	2.0	54.9		65.8	3.3	64.8	
Employment@	621.8	1.9	617.6		243.4	3.0	244.9		53.3	2.5	51.1		62.1	2.5	61.0	
Unemployment	57.4	-4.9	60.4		15.1	-0.6	16.2		4.0	-2.4	3.8		3.7	19.4	3.8	
Unemployment rate (%)	8.5	-5.5	8.9		5.8	-3.3	6.2		7.0	-5.4	6.9		5.6	14.3	5.8	
NONAGRICULTURAL WAGE & SALARY EMPLOYMENT	536.4	1.6	531.9		231.9	2.5	231.6		40.4	0.5	40.1		54.7	3.6	53.9	
Mining	14.6	-8.1	14.4		0.2	0.0	0.2		0.1	0.0	0.1		0.1	0.0	0.1	
Contract construction	34.8	-3.0	33.8		17.2	0.6	17.0		2.8	3.8	2.7		3.4	6.3	3.3	
Manufacturing	38.3	3.0	37.6		19.5	-0.5	19.5		3.2	0.0	3.1		1.6	0.0	1.6	
Durable goods	25.0	2.5	24.4		14.0	0.0	14.0		1.3	0.0	1.3		1.0	0.0	1.0	
Nondurable goods	13.3	4.0	13.2		5.5	-1.7	5.5		1.9	0.0	1.8		0.6	0.0	0.6	
Transportation & public utilities	28.7	-2.3	29.0		12.4	1.7	12.4		1.4	7.7	1.4		1.2	-7.6	1.2	
Trade	129.1	2.3	127.0		59.4	2.6	58.7		7.8	1.3	7.7		10.8	10.3	10.5	
Wholesale	22.4	-0.8	22.4		14.3	1.5	14.2		0.8	0.0	0.8		0.7	0.0	0.7	
Retail	105.7	3.0	104.6		45.1	3.0	44.5		7.0	1.5	6.9		10.1	11.0	9.8	
Finance, insurance, & real estate	27.3	2.7	27.1		14.9	5.0	14.8		1.6	0.0	1.6		2.2	10.0	2.2	
Services	122.5	3.9	121.5		63.2	4.3	63.2		6.1	9.0	6.2		13.9	3.0	13.5	
Government	141.1	1.6	141.5		45.1	1.2	45.8		17.5	-3.3	17.4		21.5	1.0	21.6	
Federal	31.3	3.7	30.8		13.3	3.2	13.3		4.4	0.0	4.3		1.6	0.0	1.5	
State	49.9	-1.1	51.2		12.0	-5.5	12.9		7.9	-8.1	7.9		16.0	0.0	16.2	
Local	59.9	3.0	59.5		19.8	4.3	19.6		5.2	2.0	5.2		3.9	5.5	3.9	

N Not available, less than 50 jobs.,
p Preliminary.
r Revised.

* Bernalillo County.
** Dona Ana County.
*** Santa Fe and Los Alamos Counties.
@ Includes labor disputes.

Source: New Mexico Department of Labor.

Average Annual Rates of Change
New Mexico Counties

County	1980-85	1985-86	County	1980-85	1985-86
Bernalillo	2.0	2.0	McKinley	2.3	3.8
Catron	-0.1	-2.6	Mora	1.8	-0.5
Chaves	1.8	0.2	Otero	2.2	1.7
Cibola	-4.6	-2.3	Quay	2.0	-0.4
Colfax	0.7	-0.3	Rio Arriba	2.1	2.3
Curry	0.5	1.7	Roosevelt	1.1	2
DeBaca	-0.2	2	Sandoval	5.0	8.8
Dona Ana	4.0	3.8	San Juan	2.2	0.9
Eddy	1.6	-0.2	San Miguel	1.8	1.8
Grant	0.6	0.3	Santa Fe	2.1	3.2
Guadalupe	-0.2	-1.3	Sierra	1.9	0.9
Harding	-2.1	3.0	Socorro	1.7	2.7
Hidalgo	0.9	-2.1	Taos	2.1	0.4
Lea	2.8	-1.0	Torrance	2.6	3.0
Lincoln	4.4	-2.1	Union	1.2	0.1
Los Alamos	0.4	1.3	Valencia	1.3	3.0
Luna	2.4	1.2	New Mexico	2.0	1.9

2: Less than 0.05%

Sources: U.S. Bureau of the Census

Provisional Population Estimates for New Mexico Counties: 1980-1986

County	Components of Change 1980-1986							
	July 1, 1986 Estimate	April 1, 1980 Census	Change 1980-1986		Births	Deaths	Net Migration	
			Number	Percent			Number	Percent
New Mexico	1,479,000	1,303,303	176,000	13.5%	170,000	58,000	64,000	4.9%
Bernalillo	474,400	420,262	54,100	12.9%	48,100	17,500	23,500	5.6%
Catron	2,700	2,720	z	-0.8%	200	200	-100	-3.7%
Chaves	56,700	51,103	5,600	10.9%	6,600	3,200	2,100	4.2%
Cibola	24,800	30,346	-5,600	-18.3%	3,800	800	-8,500	-28.1%
Colfax	14,300	13,667	600	4.4%	1,500	700	-200	-1.5%
Curry	43,400	42,019	1,300	3.2%	5,800	1,900	-2,600	-6.1%
DeBaca	2,400	2,454	-100	-3.0%	200	200	-100	-3.3%
Dona Ana	123,000	96,340	26,600	27.6%	12,900	3,500	17,200	17.8%
Eddy	52,400	47,855	4,600	9.6%	6,100	2,700	1,200	2.5%
Grant	27,400	26,204	1,200	4.5%	3,300	1,100	-900	-3.3%
Guadalupe	4,400	4,496	-100	-2.6%	500	200	-400	-9.3%
Harding	1,000	1,090	-100	-5.0%	100	100	-100	-6.3%
Hidalgo	6,100	6,049	z	0.3%	800	300	-500	-8.3%
Lea	64,900	55,993	8,900	15.9%	9,100	2,600	2,400	4.3%
Lincoln	13,600	10,997	2,600	23.5%	1,500	600	1,800	16.0%
Los Alamos	18,600	17,599	1,000	5.8%	1,300	400	200	1.0%
Luna	17,800	15,585	2,200	14.0%	1,900	1,200	1,500	9.5%
McKinley	65,800	56,536	9,200	16.3%	10,500	2,200	800	1.5%
Mora	4,600	4,205	400	8.3%	500	200	100	2.3%
Otero	50,200	44,665	5,600	12.5%	6,700	1,700	600	1.2%
Quay	11,600	10,577	1,100	10.0%	1,100	800	700	6.9%
Rio Arriba	33,200	29,282	3,900	13.4%	4,400	1,500	1,000	3.6%
Roosevelt	16,500	15,695	800	5.0%	1,800	800	-200	-1.5%
Sandoval	47,700	34,400	13,300	38.7%	5,100	1,600	9,800	28.5%
San Juan	92,000	81,433	10,500	12.9%	14,500	2,800	-1,200	-1.5%
San Miguel	25,300	22,751	2,500	11.2%	3,000	1,200	700	3.1%
Santa Fe	87,600	75,519	12,000	15.9%	8,400	3,100	6,700	8.9%
Sierra	9,600	8,454	1,200	13.7%	600	1,000	1,500	17.6%
Socorro	14,000	12,566	1,400	11.1%	1,600	500	400	2.8%
Taos	22,000	19,456	2,500	12.8%	2,800	900	600	3.2%
Torrance	9,000	7,491	1,500	20.6%	800	400	1,100	14.5%
Union	5,100	4,725	400	7.5%	500	300	200	3.9%
Valencia	37,700	30,769	7,000	22.6%	3,900	1,500	4,600	14.8%

Population estimates for 1986 are provisional and subject to change.

z: Less than 50 persons or 0.05 percent.

Source: U.S. Bureau of the Census

Bureau of Business and Economic Research
 Institute for Applied Research Services
 The University of New Mexico
 Albuquerque, NM 87131
 (505) 277-2216

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NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

Vol. 8 No. 7
August 1987

Current Economic Developments in New Mexico

Various indicators point to reasons to be upbeat regarding the performance of the U.S. economy. The recent decline in the civilian unemployment rate to 6 percent (July, 1987) suggests an overall tightening of the labor market. The strength of the stock market is also a strong positive consideration. The rapid rise in stock prices not only increases wealth among stockholders but also reduces the cost of capital investment for businesses. Potentially important secondary impacts from the bull market include increased consumer expenditures as well as additional business investment. Job growth in manufacturing in recent months is another good sign. Domestically produced goods are becoming more competitive in the U.S. and world markets.

Certain factors suggest this optimism be tempered by caution. The size of the federal deficit is of concern in financial markets as many analysts are worried that the federal government will "crowd out" private investment via higher interest rates. The large buildup of inventories in the first quarter of 1987 is also expected to put a damper on economic growth in the second half of 1987. Strong commodity prices and a tightening labor market have rekindled concern about inflation. However, the commitment of the new Federal Reserve Board Chairman, Alan Greenspan, to maintain the fight against inflation, has led most analysts to forecast general price increases in the relatively moderate 5 percent range.

The recent trend in New Mexico total personal income also provides evidence of an improving New Mexico economy. As the table on page 7 indicates, quarter-to-quarter income growth has been on the rise since the fourth quarter of 1986. However, income growth in the state has been slow when compared to the U.S. average or to that experienced by our neighbor to the west, Arizona. On an annual basis, personal income grew by 1.8 percent from the first quarter of 1986 to the first quarter of 1987.

The recent decline in the unemployment rate in New Mexico also signifies improving economic conditions in the state. The June, 1987 unemployment rate of 8.9 percent was significantly below the June, 1986 rate of 9.6 percent. The state's metropolitan areas experienced only minor changes in the employment situation during this one year period. In fact, the June, 1987 rate of 5.7 percent for the Santa Fe Metropolitan Statistical Area (MSA) exceeded the June, 1986 rate of 5.3 percent.

From June, 1986, to June, 1987, the state gained 9,300 nonagricultural jobs. The Albuquerque MSA accounted for 6,000 of these jobs, or almost two-thirds of the job growth. The

greatest employment gains in the Albuquerque area occurred in the services, retail trade and government sectors. Construction employment was down 400 jobs.

The Santa Fe and Las Cruces MSA's accounted for a net gain of approximately 2,000 jobs in the June 1986-June 1987 period. Virtually all the job growth in Las Cruces occurred in the services sector. Santa Fe's job gain can be largely attributed to employment growth in both retail trade and services. Thus, the metropolitan areas in the state, with about 48 percent of the state's population, accounted for about 87 percent of net job creation in the recent year-to-year period.

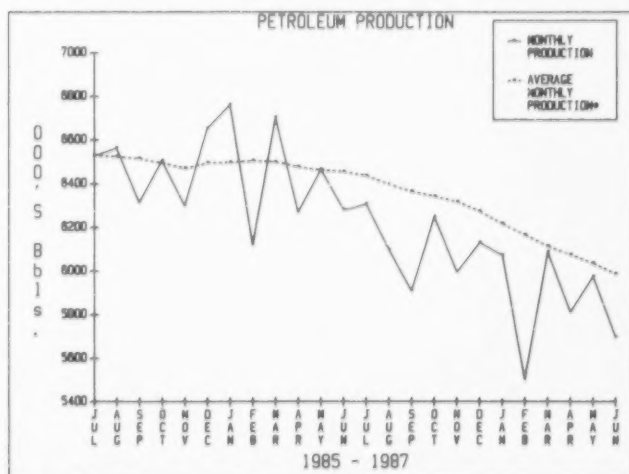
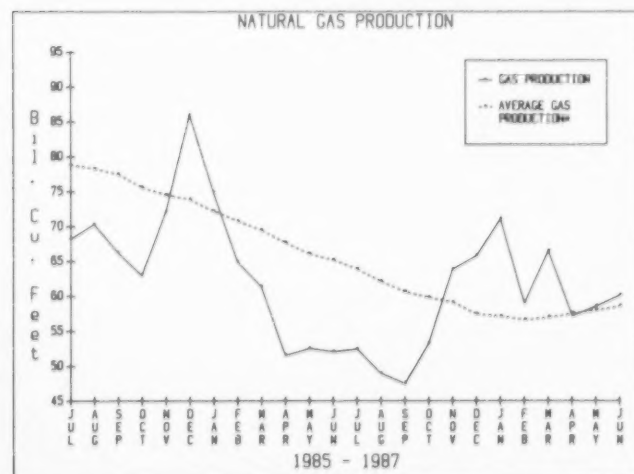
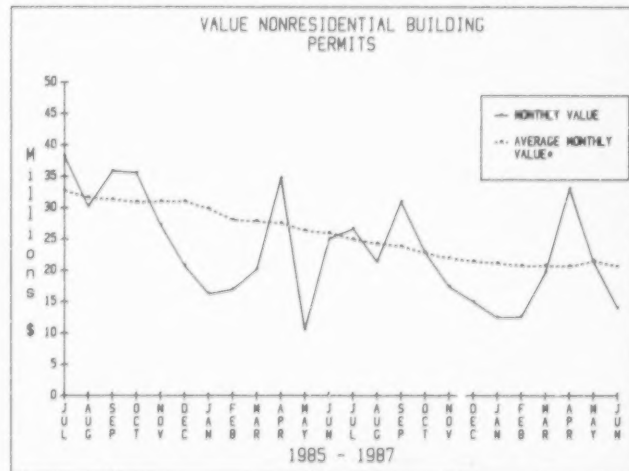
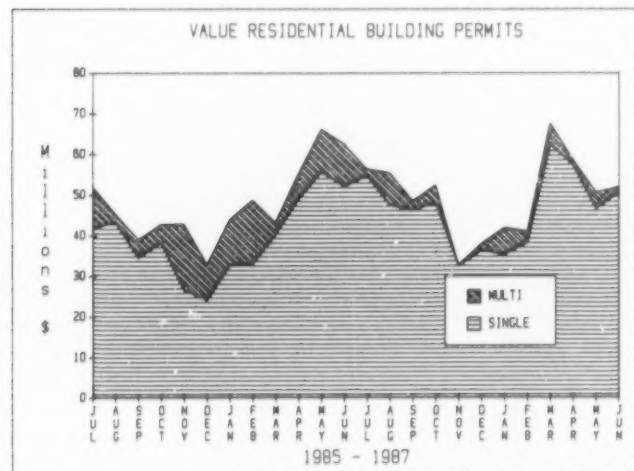
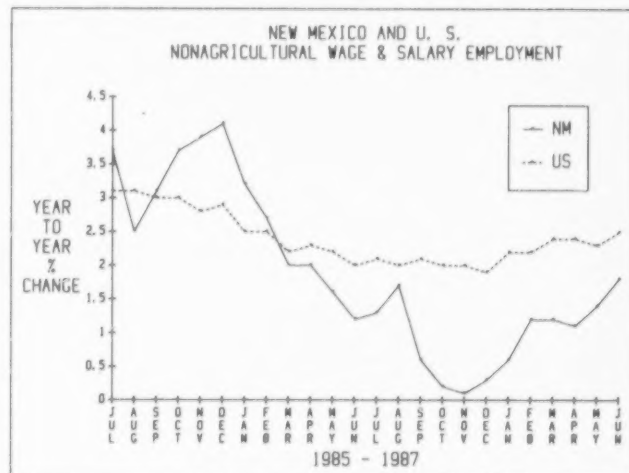
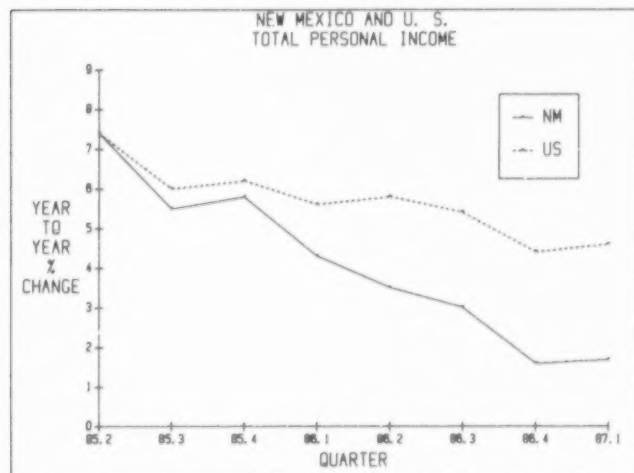
The recent trends in commodity prices do provide some hope for improved prospects for selected areas outside the state's three metropolitan areas. Based on the most recently available data, total New Mexico receipts for all agricultural products were up 26 percent on a year-to-year basis. The price of copper has risen to almost \$.80 per pound, substantially above the August, 1986 price of \$.60 per pound. Crude oil prices continue to remain in the neighborhood of \$20 per barrel. Such optimism regarding prices has not been reflected in employment gains. The June, 1987 mining sector employment for the entire state (14,900 jobs) was actually 600 less than the June, 1986 total.

Employment in TCU (transportation, communications and utilities), manufacturing, FIRE (finance, insurance and real estate), wholesale trade and government has changed relatively little since June, 1986. TCU employment declined by 2.4 percent while the other sectors experienced gains of less than 2.5 percent. Services and retail trade employment gains were greater than 3 percent in this period.

Construction activity remains relatively strong in New Mexico. While residential permit activity for the first six months of 1987 indicates the value of such permits declined in Albuquerque, Rio Rancho and Santa Fe (relative to the first six months of 1986), Las Cruces has sustained a 20 percent increase over 1986. The value of nonresidential permits was greater in the first half of 1987 for each of these urban areas. A major construction project in the pipeline is the \$197 million free-electron laser near Orogrande (between Alamogordo and El Paso). Phelps Dodge is planning to refurbish its smelter and to construct a solvent extraction-electrowinning plant at its Chino Mines' operation in Hurley. These two construction projects are expected to cost almost \$70 million.

David Boldt
Economist

ECONOMIC TRENDS IN NEW MEXICO



*12 month moving average. For example, the point for August, 1986 represents an average of data from September, 1985 through August, 1986.

U.S. ECONOMIC INDICATORS

		CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/ QTR DATA
Consumer price index				
All urban consumers (1967=100)				
All items	Jun 87	340.1	3.7	338.7
Food and beverages	Jun 87	325.4	5.1	324.0
Housing	Jun 87	371.3	2.8	368.9
Apparel and upkeep	Jun 87	214.5	4.9	218.0
Transportation	Jun 87	316.7	2.6	314.6
Medical care	Jun 87	461.3	6.8	458.9
Entertainment	Jun 87	282.3	3.1	282.0
Other goods and services	Jun 87	362.9	5.9	362.0
Revised series, wage earners and clerical workers (1967=100)				
All items	Jun 87	334.9	3.7	333.4
Gross national product* (\$Bil. constant)				
	II 87	3796.4	2.5	3772.2
Prime interest rate** (% per annum)	Jun 87	8.3	-2.9	8.3
Mortgage interest rate*** (% per annum)	Jun 87	9.5	-6.4	9.4
3 month treasury bill# (% per annum)	Jun 87	5.7	-8.3	5.8
Industrial production## (1977=100)	Jun 87	128.2	3.3	128.0
Manufacturers new orders## (\$Bil.)	Jun 87	204.8	9.6	201.4

NEW MEXICO AND U.S. COMPARISONS

	NEW MEXICO				UNITED STATES		
	CURRENT MO/QTR DATA	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA
Employment (000)	Jun 87	620.7	1.2	620.7	113,498	2.4	112,377
Unemployment rate (%)	Jun 87	8.9	-7.2	8.5	6.3	-13.6	6.1
Nonagricultural employment (000)	Jun 87	537.7	1.8	535.3	102,670	2.5	102,103
Personal income### (\$Mil.)	I 87	16,529	1.8	16,361	3,589,692	4.7	3,529,745
Housing units permitted							
Single	Jun 87	726	-5.4	669	109,776	-0.4	96,358
Multi	Jun 87	55	-91.5	234	45,922	-27.0	40,010

 Note: Selected data items subject to revision.

N Not available.

* 1982 dollars at seasonally adjusted annual rates.

** Closing rate for month.

*** Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years.

Rate on new issues within period; bank discount basis.

Monthly data seasonally adjusted.

Quarterly data seasonally adjusted at annual rates.

Sources: U. S. Department of Labor, News; CPI data; New Mexico Department of Labor and U. S. Bureau of Labor Statistics; employment and unemployment data.

U. S. Department of Commerce, Bureau of Economic Analysis; income data;

U. S. Department of Commerce, Bureau of the Census; construction data.

U. S. Council of Economic Advisors, Economic Indicators; all other data.

NEW MEXICO ECONOMIC INDICATORS

		CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
1. GENERAL					
Civilian labor force* (000)	Jun 87	681.2	0.4	678.4	3.1
Total employment* (000)	Jun 87	620.7	1.2	620.7	2.8
Unemployment* (000)	Jun 87	60.5	-6.9	57.7	5.5
Unemployment rate (%)	Jun 87	8.9	-7.2	8.5	2.3
Weekly new unemployment insurance claims	Jun 87	1398.0	-24.4	1171.0	-3.3
Nonagricultural wage/salary employment** (000)	Jun 87	537.7	1.8	535.3	1.0
New business incorporations	Apr 87	194.0	-22.0	209.0	-15.3
Personal income*** (\$ mil.)	1 87	16529.0	1.8	16361.0	2.5
2. AGRICULTURAL RECEIPTS					
Livestock and products (\$ mil.)	Mar 87	81.0	37.6	48.0	2.5
Crops (\$ mil.)	Mar 87	11.7	-20.4	13.0	-15.4
Total (\$ mil.)	Mar 87	92.7	26.0	61.0	-3.6
3. MINING					
Employment** (000)	Jun 87	14.9	-3.8	14.7	-21.9
Average hourly earnings (\$)	Jun 87	11.63	-12.2	11.73	-0.6
Petroleum production (000 bbls.)	Jun 87	5694.6	-9.3	5974.3	-7.2
Natural gas production (bill. cu. ft.)	Jun 87	60.1	15.6	58.5	-10.0
Coal production (000 short tons)	Jun 87	1872.0	18.3	1817.0	-11.0
Oil well completions&	Jun 87	23.0	-41.0	41.0	-54.3
Gas well completions&	Jun 87	24.0	33.4	33.0	-70.3
Total footage drilled&& (000)	Jun 87	331.7	12.0	444.2	-60.6
Oil sales (\$ mil.)	Apr 87	97.9	27.4	96.4	-43.9
Gas sales (\$ mil.)	Apr 87	84.8	-7.9	92.3	-46.8
4. CONSTRUCTION					
Employment** (000)	Jun 87	35.6	-2.7	34.8	-4.6
Average hourly earnings (\$)	Jun 87	11.05	3.4	10.64	0.6
Residential units permitted	Jun 87	781.0	-45.0	903.0	-19.4
Residential building permits (\$ mil.)	Jun 87	52.0	-16.9	50.7	3.6
Nonresidential building permits (\$ mil.)	Jun 87	13.9	-44.3	21.4	-21.3
Residential construction contracts (\$ mil.)	Jun 87	55.0	-33.0	50.3	-12.4
Nonresidential construction contracts (\$ mil.)	Jun 87	34.7	-50.7	33.0	-17.7
Nonbuilding construction contracts (\$ mil.)	Jun 87	35.9	24.3	63.8	2.7
5. TRANSPORTATION/COMMUNICATION/UTILITIES					
Employment** (000)	Jun 87	28.1	-2.4	28.7	-2.6
Average hourly earnings## (\$)	Jun 87	14.58	28.1	14.70	17.9
6. MANUFACTURING					
Employment** (000)	Jun 87	38.6	2.2	38.2	1.4
Average hourly earnings (\$)	Jun 87	8.79	-0.6	8.67	1.8
Electric & electronic equipment employment** (000)	Jun 87	4.3	-8.5	4.2	-14.0
Transportation equipment employment** (000)	Jun 87	4.7	12.0	4.6	4.9
Food & kindred products employment** (000)	Jun 87	4.2	2.5	4.2	4.8
Textile & apparel employment** (000)	Jun 87	2.6	8.4	2.5	0.0
Lumber & wood products employment** (000)	Jun 87	2.9	7.5	2.9	7.7

NEW MEXICO ECONOMIC INDICATORS (continued)

	MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE 12 MONTH AVERAGES
7. TRADE					
Wholesale employment** (000)	Jun 87	22.7	0.0	22.4	-1.7
Retail employment** (000)	Jun 87	108.0	3.0	106.5	3.6
Average hourly earnings (\$)	Jun 87	6.79	-2.1	6.64	0.5
8. FINANCE/INSURANCE/REAL ESTATE					
Employment** (000)	Jun 87	27.4	1.9	27.3	2.7
Bank average hourly earnings (\$)	Jun 87	5.96	3.2	5.94	4.2
Bank total assets (\$ mil.)	I 87	9620.6	2.4	9873.0	3.7
Bank total deposits (\$ mil.)	I 87	8308.5	2.3	8523.2	3.4
Bank gross loans (\$ mil.)	I 87	5582.4	0.3	5598.5	1.0
S & L total assets (\$ mil.)	May 87	6153.0	15.4	6029.5	14.7
S & L total deposits (\$ mil.)	May 87	4596.9	7.7	4579.7	9.2
S & L new mortgage loans closed&&& (\$ mil.)	May 87	146.6	-22.4	197.7	21.0
9. SERVICES AND TOURISM					
Total service employment** (000)	Jun 87	124.3	4.2	122.1	3.5
Lodging employment** (000)	Jun 87	12.8	7.6	12.4	8.2
Eating & drinking places employment** (000)	Jun 87	39.5	2.4	38.5	3.6
Visits to state parks (000)	Dec 86	202.9	16.9	248.1	18.9
Visits to national parks/monuments (000)	Jun 87	255.5	0.8	212.0	0.5
Passenger traffic at Albuquerque airport@ (000)	Jun 87	393.2	6.8	380.4	8.1
Lodgers tax receipts (\$ 000)	I 87	1522.4	7.0	1793.1	N
Lodging occupancy rates (%)	Jun 87	67.4	8.1	60.2	-1.4
10. GOVERNMENT					
Total government employment** (000)	Jun 87	138.1	1.7	140.6	2.5
Federal employment** (000)	Jun 87	31.7	4.0	31.2	1.0
State employment** @ (000)	Jun 87	47.3	-1.0	49.3	2.9
Local employment** (000)	Jun 87	59.1	2.8	60.1	3.1
Total general fund revenues&&& (\$ mil.)	May 87	116.0	-13.8	169.1	5.9

 Note: selected data items subject to revision.

N Not available.

* Number of persons by place of residence.

** Number of jobs by place of work.

*** Quarterly data seasonally adjusted at annual rates.

& These include wells that are in the following categories: new drillings, deepened, plugged back, reentry and additional zone.

&& Oil and gas combined.

&&& New mortgage loans closed equals the previously carried item "Total loans closed" plus a relatively insignificant additional loan category.

For example, in the report that contained June 1985 figures this would be the percent change in the average of July 1983 to June 1984 data versus the average of July 1984 to June 1985 data.

Communications and utilities only.

@ Passenger traffic includes enplanements and deplanements.

@@ This figure includes full and part time employment at Los Alamos National Laboratories (LANL). Full time employment alone at LANL is 7,955 as of AUGUST 1986 according to U. S. Dept. of Energy, Public Affairs.

@@@ Includes recurring and non-recurring revenues.

Sources: New Mexico Department of Labor: Sections 1, 3, 4, 5, 6, 7, 8, 9, 10;

Dun and Bradstreet, Inc.: Section 1;

U. S. Dept. of Commerce, Bureau of Economic Analysis: Section 1;

USDA Statistical Reporting Service: Section 2;

New Mexico Energy, Minerals and Natural Resources Dept., Oil and Gas Conservation Division: Section 3;

New Mexico Taxation and Revenue Dept., Oil and Gas Accounting Division: Section 3;

U. S. Dept. of Energy, Energy Information Administration: Section 3;

U. S. Dept. of Commerce, Bureau of the Census: Section 4;

F. W. Dodge Company (a division of McGraw Hill, Inc.): Section 4;

U. S. Federal Reserve: Section 8;

Federal Home Loan Bank of Dallas: Section 8;

New Mexico Energy, Minerals and Natural Resources Dept., Park and Recreation Division: Section 9;

U. S. National Park Service: Section 9;

City of Albuquerque, Albuquerque International Airport: Section 9;

New Mexico Dept. of Finance and Administration, Local Government Division: Section 9;

Parnell, Kerr and Forster: Section 9;

New Mexico Dept. of Finance and Administration: Section 10.

CITIES, COUNTIES AND FEATURES

GROSS RECEIPTS# FROM RETAIL TRADE##
TOP 20 CITIES
(\$000)

	CURRENT 3 MONTH AVERAGE* APR-JUN -----	% CHANGE AVERAGE YEAR AGO -----	PREVIOUS 3 MONTH AVERAGE* JAN-MAR -----
Alamogordo	\$ 14,360	7.7	\$ 14,742
Albuquerque	203,612	-4.1	237,035
Artesia	4,237	-9.7	5,281
Carlsbad	10,977	-14.9	11,975
Clovis	15,143	-9.3	16,366
Deming	4,469	-5.8	5,519
Espanola	6,196	-13.1	6,897
Farlington	25,198	-7.9	26,725
Gallup	21,479	1.9	21,370
Grants	3,774	-9.4	3,617
Hobbs	15,500	-10.2	15,798
Las Cruces	32,697	1.0	34,967
Las Vegas	5,107	-11.0	5,982
Los Alamos	4,885	-22.0	6,980
Portales	5,337	-2.2	6,840
Roswell	16,956	-10.5	19,666
Ruidoso	4,152	-20.0	6,143
Santa Fe	42,863	4.3	45,203
Silver City	6,134	-21.0	7,514
Taos	5,570	-11.7	7,078
State total	559,663	-8.7	628,605

Gross receipts reported are for gross receipts tax purposes, which do not include all the receipts of all firms.

Estimates for May, 1987 based on incomplete data.

* Averages are used to smooth out fluctuations in the data, which are not caused by changes in economic conditions.

Note: Due to declining sales activity in Lovington, Grants now replaces Lovington in the top 20 cities.

Source: New Mexico Taxation and Revenue Department.

NEW MEXICO CONSTRUCTION
SELECTED CITIES

	NUMBER OF BUILDING UNITS OR PERMITS *				VALUE OF BUILDING PERMITS (\$000)			
	JUNE 87	JUNE 86	CUMULATIVE TOTAL THROUGH JUNE 87 86		JUNE 87	JUNE 86	CUMULATIVE TOTAL THROUGH JUNE 87 86	
RESIDENTIAL**								
Alamogordo	25	24	152	153	\$ 806	\$ 1,072	\$ 6,550	\$ 7,143
Albuquerque	233	656	1,911	3,560	17,280	23,296	117,858	139,326
Carlsbad	11	5	52	35	624	332	3,023	1,821
Clovis	13	17	59	90	909	1,305	3,890	5,080
Farlington	4	8	42	48	207	389	2,252	1,868
Hobbs	0	6	14	16	0	238	838	838
Las Cruces	43	75	446	308	2,296	3,321	18,017	15,054
Los Alamos	7	9	47	35	795	959	6,517	4,364
Rio Rancho***	59	150	533	643	3,713	8,374	31,340	33,671
Roswell	7	1	39	42	455	50	2,297	1,826
Ruidoso	4	17	39	113	434	1,365	2,448	5,638
Santa Fe	26	213	316	385	1,989	5,035	12,764	15,378
NONRESIDENTIAL*								
Alamogordo	5	14	29	46	180	300	1,621	593
Albuquerque	0	5	33	26	0	9,678	41,877	36,691
Carlsbad	10	10	28	53	430	18	501	335
Clovis	1	3	17	21	87	166	1,623	1,681
Farlington	1	1	11	14	3	18	915	2,450
Hobbs	0	1	4	11	0	20	336	1,605
Las Cruces	22	17	101	100	2,186	1,304	10,852	6,999
Los Alamos	1	4	9	38	165	4	926	3,654
Rio Rancho***	6	2	26	18	4,482	143	7,754	5,308
Roswell	15	12	53	54	258	409	513	1,550
Ruidoso	0	2	1	9	0	150	32	422
Santa Fe	7	4	34	37	515	548	9,134	6,139

Note: Top twelve cities chosen on basis of residential construction activity during the period 1982 through 1984.
r 1985 data is revised.

* Residential data shows the number of permitted units, while nonresidential data shows the number of permits.

** Residential data includes both single and multi family units.

*** City of Rio Rancho reported Rio Rancho data.

Sources: City of Rio Rancho: Rio Rancho only;

U. S. Department of Commerce, Bureau of the Census: all others.

CITIES, COUNTIES AND FEATURES (continued)

ESTIMATED CIVILIAN LABOR FORCE AND EMPLOYMENT
(000)

	NEW MEXICO				ALBUQUERQUE MSA*				LAS CRUCES MSA**				SANTA FE MSA***			
	JUNE p	% CHANGE YEAR AGO	MAY r		JUNE p	% CHANGE YEAR AGO	MAY r		JUNE p	% CHANGE YEAR AGO	MAY r		JUNE p	% CHANGE YEAR AGO	MAY r	
TOTAL CIVILIAN LABOR FORCE	681.2	0.4	678.4		257.7	1.1	258.2		56.3	2.0	57.1		67.0	2.8	65.7	
Employment@	620.7	1.2	620.7		240.8	1.3	243.0		52.0	2.4	53.0		63.2	2.5	62.0	
Unemployment	60.5	-6.9	57.7		16.9	-1.7	15.2		4.3	-2.2	4.1		3.8	11.8	3.7	
Unemployment rate (%)	8.9	-7.2	8.5		6.6	-1.4	5.9		7.6	-5.0	7.1		5.7	7.6	5.6	
NONAGRICULTURAL WAGE & SALARY EMPLOYMENT	537.7	1.8	535.3		232.5	2.7	232.1		40.1	1.8	40.3		55.6	2.6	54.7	
Mining	14.9	-3.8	14.7		0.2	0.0	0.2		0.1	0.0	0.1		0.1	0.0	0.1	
Contract construction	35.6	-2.7	34.8		17.2	-2.2	17.2		2.8	0.0	2.8		3.4	-3.1	3.4	
Manufacturing	38.6	2.2	38.2		19.7	-0.5	19.6		3.2	0.0	3.2		1.6	-5.8	1.6	
Durable goods	25.2	1.7	24.9		14.1	0.0	14.0		1.3	0.0	1.3		1.0	-9.0	1.0	
Nondurable goods	13.4	3.1	13.3		5.6	-1.7	5.6		1.9	0.0	1.9		0.6	0.0	0.6	
Transportation & public utilities	28.1	-2.4	28.7		12.3	0.9	12.3		1.2	0.0	1.4		1.2	-7.6	1.2	
Trade	130.7	2.5	128.9		60.1	3.0	59.6		7.8	0.0	7.8		11.1	7.8	10.8	
Wholesale	22.7	0.0	22.4		14.4	1.5	14.3		0.8	-11.1	0.8		0.7	0.0	0.7	
Retail	108.0	3.0	106.5		45.7	3.4	45.3		7.0	1.5	7.0		10.4	8.4	10.1	
Finance, insurance, & real estate	27.4	1.9	27.3		15.0	4.9	14.9		1.7	6.3	1.6		2.2	4.8	2.2	
Services	124.3	4.2	122.1		63.7	5.0	63.2		6.2	12.8	6.0		14.3	2.2	13.9	
Government	138.1	1.7	140.6		44.3	2.4	45.1		17.3	0.0	17.6		21.7	0.5	21.5	
Federal	31.7	4.0	31.2		13.4	3.9	13.3		4.5	2.3	4.4		1.6	0.0	1.6	
State	47.3	-1.0	49.3		10.9	-3.5	12.0		7.6	-2.5	7.9		16.2	0.0	16.0	
Local	59.1	2.8	60.1		20.0	4.8	19.8		5.2	2.0	5.3		3.9	2.7	3.9	

N Not available, less than 50 jobs.

p Preliminary.

r Revised.

* Bernalillo County.

** Dona Ana County.

*** Santa Fe and Los Alamos Counties.

@ Includes labor disputes.

Source: New Mexico Department of Labor.

Percent Change in Total Personal Income
From Previous Quarter

State	85Q3	85Q4	86Q1	86Q2	86Q3	86Q4	87Q1
Arizona	1.92	2.30	2.57	1.60	1.08	2.14	1.79
Colorado	0.42	1.38	0.58	1.35	-0.47	0.42	1.53
NEW MEXICO	0.51	1.58	0.89	0.52	-0.04	0.21	1.03
Oklahoma	0.14	1.13	0.43	0.69	-2.23	0.31	-0.42
Texas	1.01	0.83	1.18	-0.06	-0.77	-1.62	1.80
Utah	0.61	1.17	1.71	0.33	0.10	0.01	0.50
U.S. Average	0.76	1.00	1.51	1.61	0.37	0.89	1.70

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, July, 1987

ANNUAL POPULATION ESTIMATES FOR NEW MEXICO COUNTIES: 1981-1985

County	1980	1981	1982	1983	1984	1985
New Mexico	1,303,303	1,336,000	1,369,000	1,402,000	1,427,000	1,451,000
Bernalillo	420,262	426,400	433,500	445,200	455,100	464,400
Catron	2,720	2,700	2,700	2,800	2,800	2,700
Chaves	51,103	51,600	53,600	56,100	56,100	56,100
Cibola	30,346	29,600	27,800	25,700	24,300	23,600
Colfax	13,667	14,000	14,200	14,400	14,200	14,200
Curry	42,019	42,200	42,100	43,200	43,300	43,000
DeBaca	2,454	2,400	2,400	2,400	2,400	2,400
Dona Ana	96,340	100,500	104,500	109,000	114,400	118,700
Eddy	47,855	49,800	52,200	53,000	52,100	51,900
Grant	26,204	27,100	28,100	27,400	27,200	27,000
Guadalupe	4,496	4,400	4,300	4,500	4,500	4,400
Harding	1,099	1,100	1,000	1,000	1,000	1,000
Hidalgo	6,049	6,200	6,300	6,400	6,300	6,300
Lea	55,993	59,800	64,200	66,000	64,500	64,800
Lincoln	10,997	11,300	11,900	12,900	13,600	13,800
Los Alamos	17,599	17,700	17,900	17,600	17,800	18,000
Luna	15,585	15,900	16,400	16,700	17,400	17,600
McKinley	56,536	58,900	60,500	61,700	63,000	64,300
Mora	4,205	4,300	4,300	4,400	4,500	4,600
Otero	44,665	45,000	45,900	47,700	49,000	49,900
Quay	10,577	10,500	10,700	10,800	11,500	11,700
Rio Arriba	29,282	30,800	31,100	31,800	32,300	32,700
Roosevelt	15,695	15,600	16,100	16,400	16,500	16,600
Sandoval	34,400	36,100	38,000	39,200	42,700	47,100
San Juan	81,433	86,600	89,400	90,900	91,300	91,500
San Miguel	22,751	23,000	23,100	23,800	24,500	25,000
Santa Fe	75,519	76,000	78,600	80,700	82,400	84,200
Sierra	8,454	8,900	9,000	9,000	9,200	9,300
Socorro	12,566	13,500	13,700	14,400	14,100	14,300
Taos	19,456	19,900	20,600	21,400	21,900	22,000
Torrance	7,491	7,600	7,900	8,100	8,300	8,600
Union	4,725	4,900	5,300	5,200	5,200	5,000
Valencia	30,769	31,400	31,800	32,700	33,500	34,600

Notes: Detail may not sum to totals due to rounding.

These estimates supersede all previously published population estimates for counties or the state, 1981-1985.

Sources: U.S. Bureau of the Census and Bureau of Business and Economic Research, University of New Mexico

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Albuquerque, NM 87131

(505) 277-2216

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